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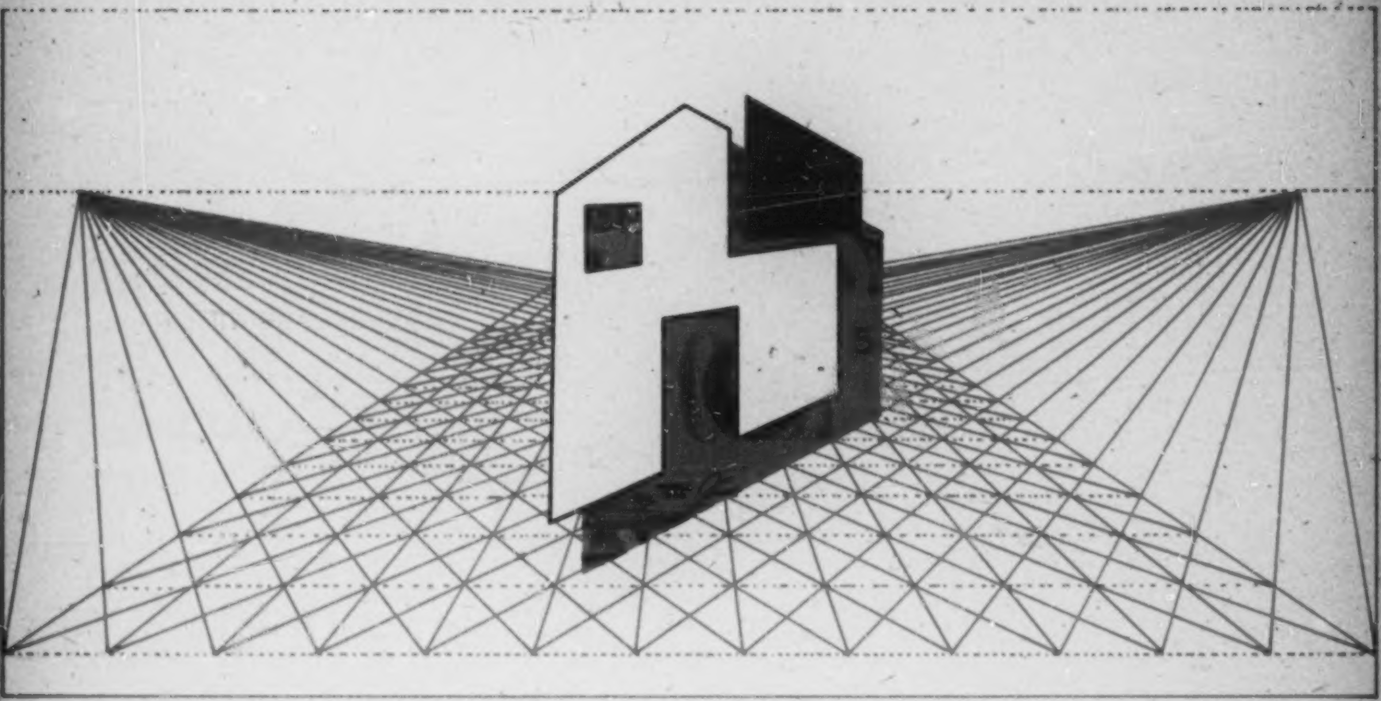
CONSUMER BANKERS ASSOCIATION



1989
Home Equity Lending Survey

for year end 1988

CONSUMER BANKERS ASSOCIATION

Conducted by the
Center for Financial Services Studies
McIntire School of Commerce
University of Virginia

John H. Lindgren, Jr., D.B.A.
Director,
Center for Financial Services Studies
and Professor of Commerce

Richard F. DeMong, D.B.A., CFA
Professor of Commerce
and Finance Area Coordinator

The Consumer Bankers Association

The Consumer Bankers Association was founded in 1919 to provide a progressive voice for the retail banking industry. CBA represents approximately 800 federally insured banks and thrift institutions that hold more than 80 percent of all consumer deposits, and more than 70 percent of all consumer credit held by federally insured depository institutions.

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CBA Home Equity Lending Committee

Mr. Joseph L. Grabowski
CHAIRMAN

Ms. Jan Goodman Bechtel
Vice President
HUNTINGTON NATIONAL BANK
41 S. High Street
Columbus, OH 43287
(614/463-6248

Ms. Joyce Denny
Senior Vice President
AMERIFIRST FED SAVINGS & LOAN
11800 S.W. 147th Avenue
Miami, FL 33102
(305/387-6350)

Mr. Samuel L. Endicott
President
SOVRAN EQUITY MORTGAGE CORP.
3600 W. Broad Street
PO Box 26180
Richmond, VA 23260
(804/353-5544)

Mr. Robert J. Howard
Administrative Vice President
EMPIRE OF AMERICA, FSB
15 Earhart Drive
Williamsville, NY 14221
(716/626-2858)

Dr. John H. Lindgren, Jr.
MCINTIRE SCHOOL OF COMMERCE
Monroe Hall
Charlottesville, VA 22903
(804/924-3414)

James E. Maynor
President
FIRST UNION HOME EQUITY CORP.
Firt Union Plaza
Charlotte, NC 28288
(704/331-6598)

William L. McGreevy
Vice President
CHASE U.S. FINANCIAL SERVICES, INC.
99 Thornall Street, 2nd Fl
Edison, NJ 08837
(201/632-1710)

Ms. Karen V. Peterson
Director of Consumer Finance
HOME FEDERAL SAVINGS & LOAN
5590 Morehouse Drive
San Diego, CA 92121
(619/450-8083)

Mr. Dennis J. Pitocco
Senior Vice President
EQUIBANK
Two Oliver Plaza
Pittsburgh, PA 15222
(412/288-6280)

Mr. Robert A. Roderick
Senior Vice President
FIRST EASTERN BANK
First Eastern Plaza, 4th Floor
Wilkes-Barre, PA 18768
(717/826-8453)

Mr. Michael J. Roy
Vice President
FIRST NATIONWIDE BANK
1520 Kensington Rd., Suite 300
Oak Brook, IL 60521
(312/990-4021)

Mr. Harry R. Sisk
Vice President
UNION BANK
8155 Mercury Court
San Diego, CA 92111
(619/230-4407)

Mr. Allan Taylor
Senior Vice President
BANK OF MONTREAL
55 Bloor Street W, 19th Fl.
Toronto, Ontario, CANADA M4W 3N5
(416/927-6474)

Consumer Bankers Association
1300 N. 17th Street, Suite 1200
Arlington, VA 22209-3880
(703) 276-1750

1988 HOME EQUITY LENDING SURVEY

CONSUMER BANKERS ASSOCIATION
1300 North Seventeenth Street, Suite 1200
Arlington, Virginia 22209-3880
Telephone 703/276-1750
Fax 703/528-1290

OFFICERS

Jack Kopec, Chairman
Alan Heuer, Chairman-Elect
William A. Buckingham, Immediate Past Chairman
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Barbara L. Munson-Manager, Government Affairs
Kelley R. Page-Receptionist/Office Assistant
Theresa M. Sauter-Administrative Assistant, Government Relations
Diane H. Zyats-Communications Specialist

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This third annual survey of home equity lending documents the continued, phenomenal growth of home equity loans in the United States. Home equity lending at the average financial institution increased by 57 percent in 1988 and 23 percent in 1987. An astonishing 29 percent of all consumer credit (excluding unsecured credit cards) was home equity credit in 1988. It represented only 25 percent of consumer credit in 1987.

The survey enables financial institution executives to analyze the financial implications of this relatively new product and to evaluate their institution's position within the home equity credit market. In addition, institutions that currently do not have a home equity product can use the survey data both to assist in deciding whether to enter the market and as an aid in the designing of a home equity loan program.

The basic purpose of the survey is to provide financial executives with detailed information about the various market indicators associated with home equity lending. In this regard, data are generally year-end for 1988 and 1987 and can be compared to determine trends.

OBJECTIVES

This executive summary will:

1. Analyze total consumer credit outstanding (excluding unsecured credit cards).
2. Describe an institution's typical portfolio within the home equity product. This includes open-end and closed-end, as well as variable rate, loans/lines.
3. Analyze the approval process on open-end home equity products.
4. Evaluate the characteristics of variable rate home equity products.
5. Assess the servicing of home equity products, including the reviewing of policies, primary uses of home equity credit by borrowers, delinquencies, chargeoffs, and foreclosures.
6. Profile the average customer and evaluate home equity loan market activities among different institutions.
7. Discuss the basic demographics of institutions presently marketing home equity products.
8. Provide home equity analysis in aggregate form, as well as by size of institution, region, and type of institution.

METHODOLOGY AND SAMPLE

On behalf of the Consumer Bankers Association, the Center for Financial Services Studies of the McIntire School of Commerce, University of Virginia, sent questionnaires to 1,224 commercial banks and 111 thrifts (mutual savings banks, savings and loan associations, credit unions, and finance companies). The questionnaire was developed over a two year period with five revisions. The survey covered a stratified systematic sample of financial institutions in the United States that had assets of at least $100 million (Appendix C). Questionnaires were sent to 813 commercial banks with assets of more than $250 million, 411 commercial banks in the $100 million to $250 million category, and the 111 largest thrifts in the United States. Each institution was sent the eleven-page questionnaire during February 1989. This resulted in 223 usable responses prior to the deadline or almost 17 percent of the total mailing.

CHARACTERISTICS OF RESPONDENTS

The 223 respondents were regionally representative of financial institutions in the United States that have assets of $100 million or more, coming from thirty-nine states and the District of Columbia. One response was received from a Canadian bank.

The Summary of Survey Sample Characteristics (Appendix A & B) indicates the regional affiliation of the headquarters of the financial institutions and some of their statistical characteristics. Assets of the survey participants totaled $843 billion, and consumer loan portfolios (excluding unsecured credit cards) amounted to $97 billion. More pertinent to this study was the finding that these institutions reported a total of 782,506 approved home equity open-end lines, amounting to $28.4 billion in home equity open-end credit.

The average asset size of responding institutions was $3,903 million. Assets at the average bank had a growth rate of 8.7 percent in 1988. The median number of branches in 1988 was twenty-nine, representing an increase of one branch from 1987.

The data were analyzed on an aggregate basis as well as by region, size, and type of institution. On a geographic basis, the responses were broken down into seven of the Census Bureau's regions and subregions: New England, Mid-Atlantic, South Atlantic, South Central, East North Central, West North Central, and West.

In terms of asset size, the three categories used were: small ($100 million to $400 million in assets), medium ($400 million to $2 billion in assets), and large (more than $2 billion in assets). Responses were received by sixty-nine small institutions, ninety-four medium institutions, and eighty-three large institutions.

Finally, the types of institutions covered included commercial banks and savings institutions (saving and loan associations, mutual savings banks, credit unions, and finance companies)(Appendix A).

SURVEY RESULTS

Consumer Credit (Exhibit 1)

The average financial institutional had $450 million (median-$175 million) in consumer credit (excluding unsecured credit cards).[1] Average consumer loans held in 1988 were essentially the same as in 1987.

Average consumer credit delinquencies and average consumer credit delinquency rates (more than thirty days overdue) rose in 1988. It is important to note that median consumer credit delinquencies and the median consumer credit delinquency rates rose slightly. In 1988, the average delinquency rate was 2.1 percent and the average delinquent amount was $9,483,629. In 1987, the average consumer credit delinquency rate stood at 1.9 percent and the average amount of loan delinquency at $8,412,353.

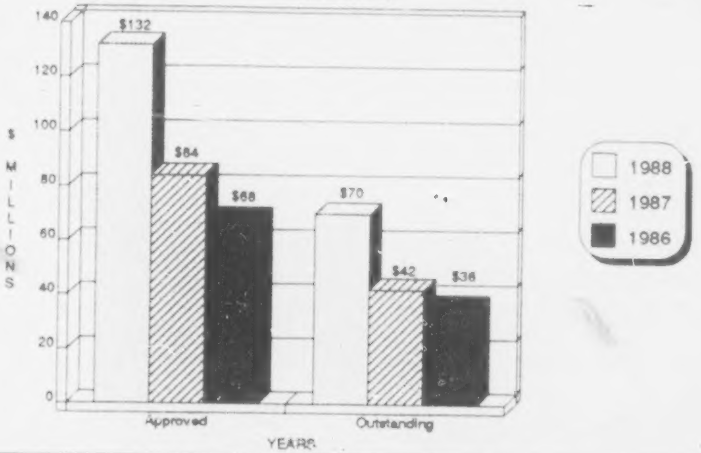
Home Equity Lines (Exhibits 1, 2, 3, 4, and 5)

Home equity open-end credit is still expanding at a phenomenal rate. The total home equity credit included in this study was $28,366,000,000 in 1988 and $27,200,000,000 in 1987. The importance of home equity lending to the average lender also increased in 1988. Home equity lending represented an astonishing 29 percent of total consumer credit (excluding unsecured credit cards) in 1988 as compared to 25 percent in 1987 (Exhibits 1 and 2). The average amount of approved home equity open-end lines increased by 57 percent. The average approved open-end credit was $131,934,270 in 1988 as compared to $84,100,000 in 1987 and $68,420,000 in 1986 (23 percent increase from 1986 to 1987 and 57 percent from 1987 to 1988). The average number of approved lines increased from 2,495 in 1987 to 3,573 in 1988. This represented a 43 percent increase in the number of lines. The increase from 1986 to 1987 was 32 percent.

---

[1] Unless otherwise noted the "mean" statistic, rather than the median statistic, will be used as the "average" in this study. In some cases, as noted, medians will be used because they are more representative of the "typical" institution. The exhibits include both the median statistic and the mean (average) statistic. Remember, the mean will be more affected by the extremes than the median.

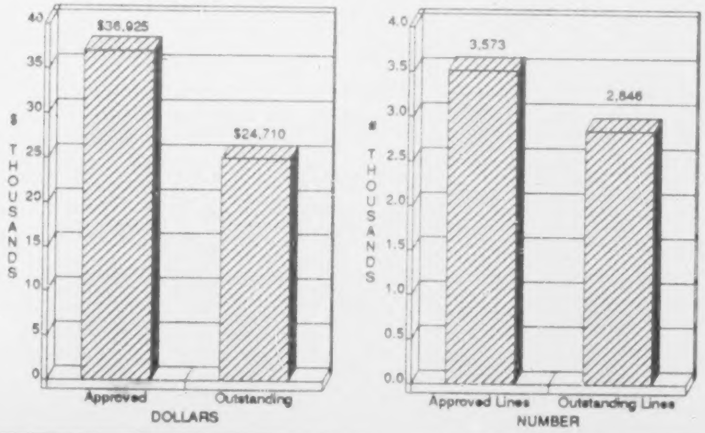
Chart 1
AVERAGE HOME EQUITY OPEN-END LINES
(000, 000)



The average amount of home equity open-end lines that were outstanding had a similar high growth rate. The outstanding home equity open-end lines at the average lender was $70,324,834 in 1988 as compared to $41,500,000 in 1987 and $35,500,000 in 1986. Again, the growth rate in 1988 (69 percent) was much higher than the growth rate in 1987 (17 percent).

Eighty percent of the home equity open-end lines were in use in 1988 (Exhibit 3 and Chart 1). In 1988, 2,846 lines were outstanding and 3,573 were approved. Thus, 727 of the approved lines were not in use at the year-end of 1988. However, on average, only 67 percent of the amount approved was outstanding in 1988. The average outstanding home equity open-end line in 1988 was $24,710 as compared to $21,989 in 1987. Thus, borrowers have again increased their use of their home equity open-end lines.

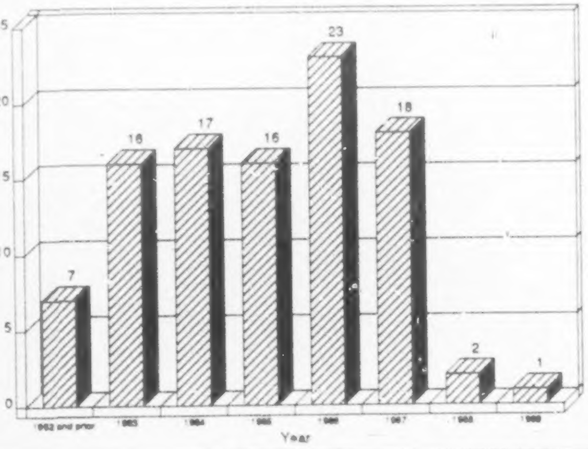
Chart 2
HOME EQUITY OPEN-END LINES IN 1988
(000)



The dollar amounts of approved home equity open-end lines booked in 1988 surpassed the 1987 record. The amount of approved home equity open-end credit booked in 1988 was $45,806,246 as compared to $42,400,000 in 1987 and $32,500,000 in 1986 (Exhibit 5). The number of booked lines in 1988 was slightly below the record number booked in 1987, but above the number booked in 1986. In 1988, there were 1,113 home equity lines booked as compared to 1,197 in 1987 and 855 booked lines in 1986. The amount of home equity open-end lines of credit booked in 1988 was 35 percent of the total approved home equity credit at the end of 1988. The comparable statistic in 1987 was 50 percent and 48 percent in 1986. Thus, financial institutions were able to significantly increase their market penetration of total consumer credit with home equity credit. As will be seen later in this study, lenders have increased their home equity lending without decreasing their lending standards.

Only 2 percent of these financial institutions initiated their home equity open-end lending program in 1988 as compared to 18 percent in 1987 and 23 percent in 1986 (Exhibit 4 and Chart 3). Thus, the increases of new entrants in the home equity lending market has slowed dramatically. As can be seen in Chart 1, the majority of home equity creditors began lending between 1983 and 1987, with 23 percent starting in 1986 alone. Of course 1986 was also the year that the 1986 Tax Reform Act passed, which removed some of the tax benefits of non-home equity consumer credit.

CHART 3
BEGINNING YEAR OF
HOME EQUITY OPEN-END LENDING



Home Equity Closed-end Loans (Exhibits 6 & 7)

Home equity closed-end loans increased by 34 percent in 1988 (Exhibit 6). The average lender had $67,761,983 in home equity closed-end loans in 1988 and $50,400,000 in 1987. The average number of home equity closed-end loans increased by 28 percent from 2,416 loans in 1987 to 3,083 loans in 1988. The average home equity closed-end loan was $21,979 in 1988 and $20,861 in 1987. It is interesting to note that the average home equity open-end line was significantly larger than the average home equity closed-end loan. In 1988, the average approved open-end line was $36,925 (of which, $24,710 was outstanding) and the average closed-end loans was $21,979 (Exhibits 3 and 6).

The average lender booked $27,334,565 in home equity closed-end loans in 1988 (Exhibit 7). The number of booked home equity closed-end loans was 949 in 1988. The average home equity closed-end loan booked in 1988 was $28,804. It is not surprising the average booked in 1988 was higher than the average of all home equity closed-end loans in 1988. The difference was caused by an increase in the size of the loans in 1988 and the fact that some of the closed-end loans booked in previous years have been partially paid off.

Interest Rates (Exhibits 8, 18, 19, 20, and 21)

Ninety-eight percent of the open-end home equity loans had a variable interest rate rather than a fixed rate in 1988, 1987 and 1986 (Exhibit 8). However, 27 percent of home equity lenders allow the borrower to convert the home equity open-end line to a fixed rate at the borrower's option (Exhibit 19).

The prime rate was used by 79 percent of home equity lenders in 1988 as compared to 75 percent in 1987 and 76 percent in 1986 (Exhibit 18 and Chart 4). In 1988, 50 percent of all home equity lenders used The Wall Street Journal prime rate and 29 percent used a bank prime rate. In 1987, 42 percent of the lenders used The Wall Street Journal prime rate and 33 percent used a bank prime rate. Treasury bill rates were only used by 12 percent of the lenders in 1988 as compared to 14 percent in 1987 and 18 percent in 1986.

Eleven percent of the home equity lenders could adjust their variable rate on a daily basis. In 1987, only 2 percent of the lenders had the ability to adjust their interest rate on a daily basis. Although the percentage has dropped, the majority of lenders still may make monthly adjustments. Sixty-four percent of the lenders had an option for monthly adjustments in 1988. In 1987, the percentage of home equity lenders with monthly adjustment periods was 70 percent.

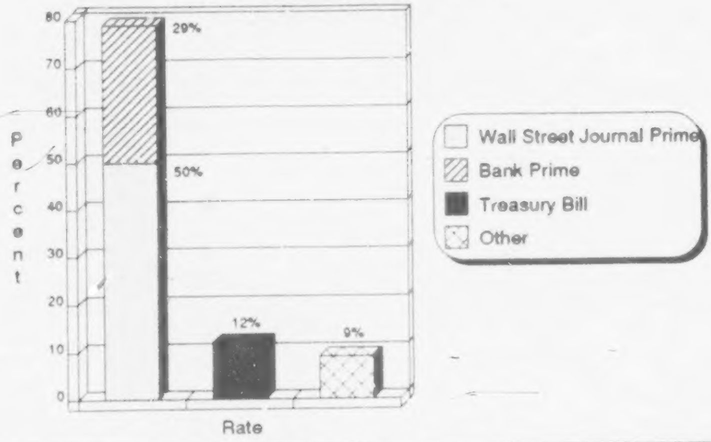


Chart 4
Variable-Rate Index
(Percent of Financial Institutions)

The average spread over prime rate was 182 basis points in 1988 (Chart 5). This was down two basis points from the spread of 184 basis points in 1987 and 1986. The average spread over Treasury Bill rates was 386 basis points in 1988. This was down from the 415 basis point spread in 1987 and the 396 basis point spread in 1986.

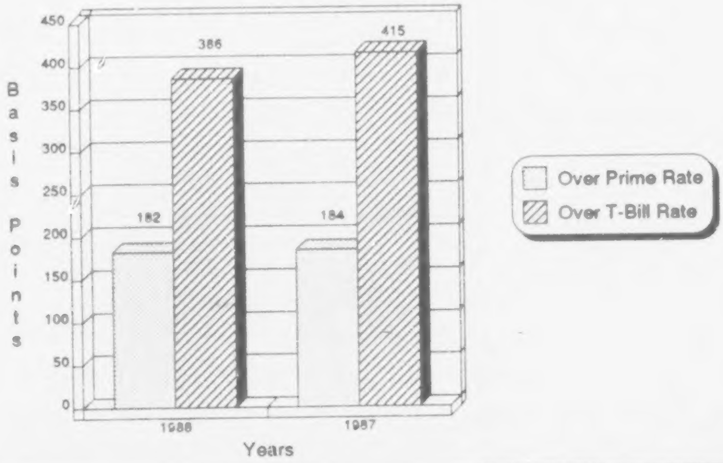


Chart 5
Average Spread Over Index

Minimum and Maximum Lines of Credit (Exhibit 9)

The average minimum home equity open-end line of credit was $7,393 (Exhibit 9). This was only slightly larger than the minimum line in 1987. The average maximum line of credit in 1988 was $239,034. It should be noted that the median minimum line was $5,000 and the median maximum line was $100,000. Unlike the mean statistic, the median statistic was not distorted by the few lenders that have significantly higher minimums and maximums than the typical lenders.

Approval Process (Exhibits 10, 11, 12, and 13)

The average approval process time in 1988 was 16 days (Exhibit 12). This turnaround time is down two days from the average of 18 days in 1987 and down 5 days from the average in 1986. The 16 days of processing time included the total time from application until closing.

Eighty-eight percent of the approved home equity open-end lines were booked in 1988 (Exhibit 12). This was the same percentage as in 1987, but it was three percentage points above the 85 percent closure rate of 1986.

Ninety-three percent of the home equity lenders used a debt-to-income formula in 1988 (Exhibit 10). This percentage was very close to the 94 percent of the financial institutions using a debt-to-income formula in 1987 and the 88 percent in 1986. Three quarters of the lenders used gross income in their calculation in 1988 and in 1987. The average percent of gross income used in the formula was 36 percent in 1988 and 37 percent in 1987. Thus, the downward trend has been continued since 1986 when the average percentage was 38. The average percentage used in the debt-to-net income ratio dropped to 42 percent.

A decreasing percent of financial institutions used either net or gross formulas as a guideline (Exhibit 10). In 1986, 73 percent of the institutions used the formulas as a guideline. That percentage dropped to 71 percent in 1987 and to 67 percent in 1988. An increasing percentage of lenders used the formulas as a "firm formula" in 1988 than in previous years. Thirty-three percent of the lenders used the formulas as firm criteria in 1988, as compared to 29 percent in 1987 and 27 percent in 1986.

For 62 percent of the lenders, the percentage that was used in the debt-to-income formula was the same for home equity lending as it was for other consumer loans (Exhibit 10). This was up from 57 percent in 1987 and from 53 percent in 1986. Forty-three percent of the lenders that used a different debt-to-income formula used a higher percentage in their home equity approval process and 57 percent used a lower formula.

A second formula commonly used in the approval process was a loan-to-value formula. The average maximum percentage loan-to-value ratio for owner-occupied home equity lines in 1988 was 77 percent, the same as in 1987 (Exhibit 11).

The average maximum loan-to-value percentage for non-owner occupied homes was 74 percent in 1988 and 72 percent in 1987 (Exhibit 15). It should be noted that only 36 percent of home equity lenders are willing to loan against a non-owner occupied home.

The primary approval method used was still a judgmental process. Eighty-five percent of the lenders used judgement rather than a credit scoring process or a combination of credit scoring with judgement (Exhibit 12). However, it should be noted that credit scoring alone was used by 13 percent of the lenders in 1988 as compared to only 2 percent of the lenders in 1987 and 1986.

Fifty-eight percent of home equity lenders used a full appraisal in their approval process (Exhibit 13). Twenty-eight percent used a "drive-by" appraisal and 13 percent used a tax assessment.

Insurance on Home Equity Lines (Exhibit 14)

Twenty-five percent of the home equity lenders always required title insurance in 1988. In 1987, 32 percent of the lenders always required title insurance (Exhibit 14). Thirty-nine percent of the lenders never required title insurance for a 1988 home equity line. The remaining lenders required title insurance for home equity lines over a certain dollar threshold ($50,000 and $100,000 were typical thresholds).

Only 3 percent of lenders required PMI insurance in 1988. Sixty-five percent of the lenders offered credit life insurance in 1988. This percentage has slowly increased over the last three years. Sixty percent of the home lenders offered credit insurance in 1986. The average maximum amount insured increased from $51,201 in 1987 to $55,455 in 1988. The percent of applicants that took the credit life insurance continued to slide. In 1988, only 22 percent of the home equity applicants took credit life as compared to 27 percent in 1987 and 28 percent in 1986. Finally, 38 percent of the lenders had a captive insurance company. This percentage was the same in 1988 as it was in 1987.

Non-Owner Homes and Condominiums (Exhibits 15 and 16)

A majority of home equity lenders granted home equity lines against condominiums, but a majority were not willing to lend against non-owner homes or co-ops. Eight-two percent of the lenders granted home equity lines against condominiums, but only 36 percent against non-owner homes and only 17 percent against a co-op (Exhibits 15 and 16). In each of these situations, a higher percentage of lenders granted credit in 1988 than in 1987 or 1986.

Twenty-two percent of the financial institutions charged a higher interest rate if credit was granted against a non-owner occupied home (Exhibit 15). The average increase in interest rate was 92 basis points in 1988.

Fees (Exhibit 17)

The majority of home equity lenders charged recording fees (69 percent of the lenders) and appraisal fees (63 percent of the lenders)(Exhibit 17). The average recording was $29 and the average appraisal fee was $49. In 1988, those were the only fees passed to the borrower by the average lender. There has been a significant decrease in the percent of institutions charging fees for various services. Competitive pressures have forced some lenders to drop certain fees. In 1987, the majority of lenders charged fees for appraisals (79 percent of the lenders), recording (77 percent of the lenders), title insurance (54 percent of the lenders) and title searches (53 percent of the lenders). Those four fees were also charged by a majority of the home equity lenders in 1986. In 1988, only 31 percent of the lenders charged a fee for title insurance and only 22 percent charge for title searches. If charged, the average fee for title insurance was $271 in 1988. The average fee, if charged, for a title search was $88 in 1988.

Interest Rate Adjustment Caps on Variable Rate Home Equity Lines (Exhibits 22 and 23)

Only thirty percent of home equity lenders limited annual interest rate adjustments (Exhibit 22). Most lenders did not have an annual interest rate floor in 1988. Only 14 percent had a floor interest rate in 1988 as compared to 21 percent of the lenders in 1987 (Exhibit 23).

The average lifetime cap increased to 18.5 percent in 1988 from 15 percent in 1987 and 13.5 percent in 1986 (Exhibit 22). Almost half of the lenders (48 percent) set their maximum at their state's usury rate. Most home equity lenders do not have a lifetime floor interest rate. However, the average floor interest rate was 8.0 percent for the 23 percent of the lenders that had a lifetime floor rate (Exhibit 23). The percent of lenders with a lifetime floor rate dropped from 35 percent in 1987. The average floor rate was 8.5 percent in 1987 and 8.2 percent in 1986.

Credit Reviews (Exhibit 24)

Seventy-two percent of the lenders use a periodic credit review (Exhibit 24). This was the same percentage of lenders that used a periodic credit review in 1987 and it was down from 78 percent of the lenders in 1986. The most popular review period was an annual review (41 percent in 1988, 46 percent in 1987, and 49 percent in 1986). Biennial reviews were used by 17 percent of the lenders in 1988 and 1986 and 19 percent in 1987. Triennial reviews have become more common in the last three years. Sixteen percent of the lenders used a triennial review in 1988 as compared to 12 percent in 1987 and 10 percent in 1986.

Account monitoring systems were used by 49 percent of home equity lenders in 1988. This was the same as in 1987, but it was down from the 60 percent that used an account monitoring system in 1986. Twenty percent of the lenders account monitoring systems were triggered by a delinquency in 1988. Eighteen percent of the lenders used the TRW Monthly Signal in 1988. Internal reports from their collection department were used by 15 percent of the lenders. Finally, 13 percent of the accounts monitoring systems were triggered by the lenders' other internal reports.

Methods of Accessing Credit Line (Exhibit 25)

The most frequently used method of accessing home equity open-end credit was through checks (Exhibit 25). Eight-eight percent of lenders found checks to be the most frequent access method. The median minimum transaction amount was $250. Telephone access was the primary method of accessing home equity credit in only 2 percent of the lenders (these were generally institutions that were located in the West). The median minimum transaction amount for telephone was $20. Debit cards were most frequently used in 2 percent of the institutions and the median minimum was $100.

Interest Only Payments (Exhibit 26)

Forty percent of the lenders allowed interest only payments. This percentage was the same as it was in 1987.

Delinquent, Foreclosed and Charged-Off Home Equity Open-End Lines and Death Claims (Exhibits 27, 28, 29, and 30)

As home equity lending matured, so did the risks of delinquencies and foreclosures. As was expected, delinquencies and foreclosure rates increased in 1988 (Exhibits 27 and 28). Delinquent accounts increased from .6 percent in 1987 to 1.5 percent in 1988. The home equity delinquency rate is still below the delinquency rate of consumer credit (excluding unsecured credit cards) which was 2.1 percent in 1988 and 1.9 percent in 1987 (Exhibit 1). Foreclosure rates have also increased (Exhibit 28). The foreclosure rate is now .2 percent as compared to .03 percent in 1987. Although the increases were expected, they still need to be watched closely because of the significant ramifications of foreclosed home equity credit.

Home equity credit charge-off in 1988 also increased. In 1988, the average gross home equity charge-off was .15 percent or $108,300 per lender (Exhibit 29). The net charge-off in 1988 was .12 percent or $82,280 per lenders. This compares very favorably with the gross and net charge-off of consumer credit (excluding unsecured credit cards) (Exhibit 1). The average rate of consumer credit charge-off was more than four times the rate of home-equity gross charge-off in 1988.

Finally, the average lender had only 4 death claims in 1988. The number of death claims has been increasing, but it still is fairly unusual.

Primary Use of Home Equity Credit (Exhibit 31)

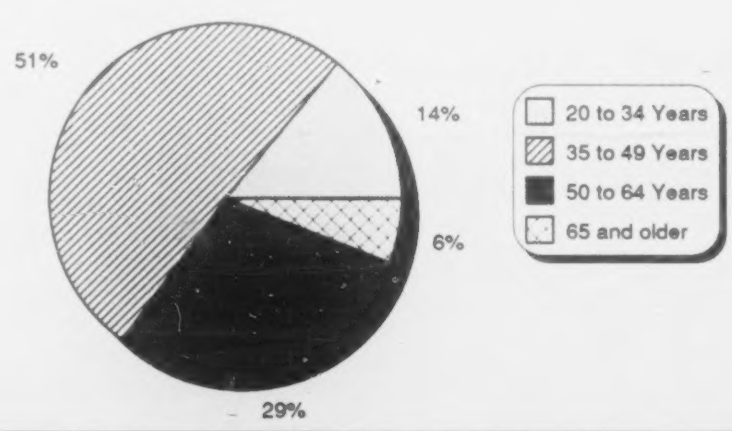
Debt consolidation was the primary use of home equity credit at 53 percent of the lenders. This was up from 44 percent of the lenders in 1987. This increase was a continuation of the trend since the Tax Reform Act of 1986, which has partially contributed to increasing popularity of home equity credit. Home improvement was still the primary use of home equity credit at 33 percent of the lenders. This was down from 40 percent of the lenders in 1987 and 43 percent in 1986. Consumer purchases, education and investments are the primary use of home equity credit in 3 percent or less of the lenders.

Borrowers (Exhibits 32 and 33)

The average home equity borrowers in 1988 were slightly older and wealthier than the average home equity borrowers in 1986 or 1987 (Exhibit 32 and Chart 6). The majority of the home equity borrowers were between 35 and 49 years of age. In 1988, 35 percent of the borrowers were 50 years or older as compared to 30 percent in 1987. The average home equity borrowers owned their home for 9.8 years in 1988 as compared to 9.4 years in 1987 and 9.1 years in 1986. Similarly, the average borrowers had worked in the same job for 9 years as compared to 8.6 years in 1987 and 9 years in 1986. The average borrower had 3 dependents in 1988 (including their spouse), which was slightly more than the 2.9 in 1987 and 1986. For the third year in a row, the average borrower's household income went up. The increase from 1987 to 1988 was over 4 percent. The average borrowers' household income was $47,952 in 1988.

Chart 6

AVERAGE AGE OF HOME EQUITY BORROWERS



Finally, the average borrowers available equity in their houses increased for the third year (Chart 7). In 1988, the average available equity was $68,554 (Exhibit 33). This is an interesting increase, since the average appraised value increased from $108,772 to $119,900. However, the average first mortgage increased from $40,874 to $51,346. Thus, the increased penetration of home equity lending has not caused the average lender to decrease its requirements. Their standards may be slightly higher in 1988 than they were in 1987 or in 1986.

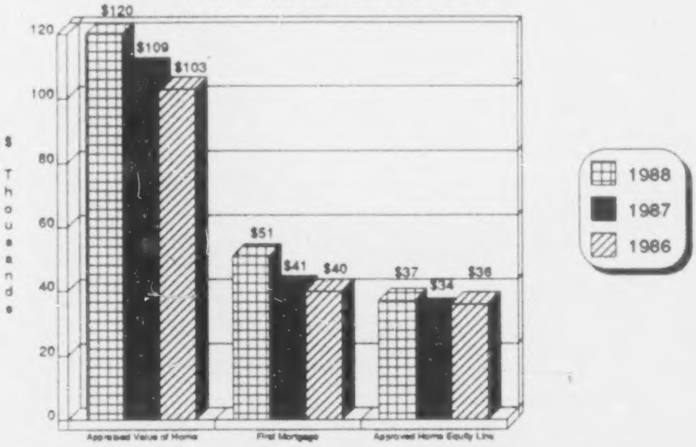


Chart 7
AVERAGE APPRAISED VALUE, FIRST MORTGAGE, AND APPROVED HOME EQUITY LINE

Increase in Current Line (Exhibit 34)

Most financial institutions allow borrowers the option of increasing their home equity credit for a fee (Exhibit 34). Ninety-two percent of the lenders allowed an increase in credit lines in 1988. This was up slightly from 87 percent of the lenders in 1987. Eighty-three percent of the lenders charged a fee for increasing a home equity credit line. In 1987, 89 percent of the lenders charged a fee for increasing a line. Only 11 percent of all home equity borrowers increased their lines in 1988. The average increase was $18,426 in 1988.

Marketing (Exhibits 35 and 36)

Cross selling had a 4.7 ranking on a scale of 1 to 6, where 6 was very important and 1 was not important (Exhibit 35). This was the third year in a row where cross selling had the highest importance value. As in the previous two years, cross selling was closely followed by newspapers and "no or low closing costs." Both marketing tools had an importance scaling of 4.4 in 1988. However, in 1988, the relative scale value of direct mail dropped to 4.1 from 4.2 in 1987 and 4.5 in 1986. Word of mouth was 4.1 in 1988 just as it was in 1987. Again in 1988, brochures and statement stuffers had a lower importance scale value than did either direct mail or word of mouth. Brochures had an importance scale of 3.7 (up from 3.6 in 1987) and statement stuffers had a scale of 3.5 (down from 3.7 in 1987 and 3.6 in 1986).

Radio's importance scale dropped ever so slightly from 3.1 in 1986 and 2.9 in 1987 to 2.8 in 1988. Television had an importance scale of only 2.0 in 1988. Realtor referrals, billboards and magazines also had relatively low importance scale in 1988.

Twenty-two percent of the lenders picked newspapers as their primary marketing medium. Low introductory rates were also selected by 22 percent of the lenders as their primary marketing medium (Exhibit 36). Direct mail was the third most frequently mentioned marketing medium. It was listed by 19 percent of the lenders as their primary marketing medium in 1988 and 1987. Cross selling was listed as their primary marketing medium by 14 percent of the lenders in 1988 as compared to 16 percent in 1987 and 18 percent in 1986.

Secondary Market and Securitization (Exhibits 37 and 38)

Only two percent of the lenders buy home equity loans on the secondary market and only one percent sells home equity loans of the secondary market (Exhibit 37). Eight percent of the home equity lenders securitized some of their home equity lines in 1988. Six percent of the home equity lenders are planning to securitize their home equity loans in 1989 (Exhibit 37). This follows the pattern of securitization the other assets on the balance sheets of financial institutions.

CONCLUSION

Home equity lending continued its rapid growth in 1988. It increased by 57 percent in 1988. It now represents 29 percent of all consumer credit (excluding unsecured credit cards).

Home equity borrowers were wealthier and older in 1988 than they were in 1987. They have owned their homes longer, held their jobs longer, had a higher household income, and had more available equity in their homes in 1988 than in 1987. Thirty-five percent of the 1988 borrowers were 50 years or older and 51 percent were between 35 and 49 years of age.

Ninety-eight percent of home equity credit had a variable rate. The index used for the majority of lines was The Wall Street Journal prime rate (50 percent). Another 29 percent of the lenders used a bank prime rate.

Home equity lending is now an important product for financial institutions with consumer loans. The approval standards have not been relaxed over the last three years. The loan-to-value and loan-to-income standards have become more stringent over the last three years.

EXHIBITS

EXHIBITS

Exhibit 1 - Consumer Credit Outstanding at Sample Institutions
Exhibit 2 - Total Home Equity Credit
Exhibit 3 - Open-End Home Equity Credit Lines -- Approved and Outstanding
Exhibit 4 - Beginning Year of Open-End Home Equity Credit Lending
Exhibit 5 - Home Equity Open-End Lines Booked
Exhibit 6 - Closed-End Home Equity Loans Outstanding
Exhibit 7 - Closed-End Home Equity Loans Booked in 1988
Exhibit 8 - Fixed and Variable Rate Home Equity Loans Outstanding
Exhibit 9 - Total Home Equity Lines of Credit -- Minimum and Maximum Amounts
Exhibit 10 - Utilization of Debt-to-Income Formulas in Approval Process
Exhibit 11 - Maximum Loan-to-Value Ratios on Owner-Occupied Home Equity Loans
Exhibit 12 - Methods Utilized in Approving Home Equity Loan Applications
Exhibit 13 - Types of Home Equity Loan Appraisal Methods
Exhibit 14 - Required Insurance Coverage on Home Equity Loans
Exhibit 15 - Availability of Non-owner Home Equity Loans
Exhibit 16 - Availability of Home Equity Loans on Condominiums and Co-ops
Exhibit 17 - Institutions Charging Fees on Home Equity Loans
Exhibit 18 - Interest Rate Index Utilized on Variable Rate Home Equity Loans
Exhibit 19 - Can Home Equity Lines Be Converted From Variable to Fixed Rate
Exhibit 20 - Spread over Selected Interest Rate Indices Utilized on Variable Rate Home Equity Loans

Exhibit 21 - Frequency of Interest Rate Adjustments on Variable Rate Home Equity Loans

Exhibit 22 - Initial Rates and Upward Adjustment Caps on Variable Rate Home Equity Loans

Exhibit 23 - Interest Rate Floors on Variable Rate Home Equity Loans

Exhibit 24 - Periodic Credit Review Process on Outstanding Home Equity Loans

Exhibit 25 - Most Frequently Used Access Methods to Variable Rate Open-End Home Equity Lines of Credit

Exhibit 26 - Institutions that Permit Interest Only Payments

Exhibit 27 - Dollar Amount of Delinquent Open-End Home Equity Lines

Exhibit 28 - Dollar Amount of Foreclosures on Open-End Home Equity Lines

Exhibit 29 - Dollar Amount of Charge-Offs on Open-End Home Equity Lines

Exhibit 30 - Open-End Home Equity Loans Outstanding with Death Claims

Exhibit 31 - Primary Uses for Home Equity Credit

Exhibit 32 - Borrower Characteristics

Exhibit 33 - Borrower's Equity in Home

Exhibit 34 - Increase in Current Lines

Exhibit 35 - Importance of Marketing Media

Exhibit 36 - Primary Marketing Medium

Exhibit 37 - Home Equity Loan Secondary Market Activity

Exhibit 38 - Securitization of Home Equity Lines

Exhibit 39 - Return on Assets and Growth in Assets

ALL
INSTITUTIONS

Exhibit 1
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

A. Total Consumer Credit Outstanding*

	1988		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$175,000,000	$1,101,577,000	16%
Mean	449,692,489	3,902,734,958	12

	1987		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$128,000,000	$995,000,000	13%
Mean	452,000,000	4,010,000,000	11

B. Total Delinquent** Consumer Credit*

	1988			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$2,873,851	528	$175,000,000	1.6%
Mean	9,483,629	2,209	449,692,489	2.1

	1987			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$1,906,448	N/A	$128,000,000	1.5%
Mean	8,412,353	N/A	452,000,000	1.9

* Excludes unsecured credit cards.
** Past due by more than 30 days.

Exhibit 1 (continued)
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

C. Consumer Credit* Charged Off

	1988			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$581,715	201	$175,000,000	.3%
Mean	2,101,963	633	449,692,489	.5

	1987			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$430,648	N/A	$128,000,000	.3%
Mean	1,665,306	N/A	452,000,000	.4

* Excludes unsecured credit cards.

Home Equity Loan Activity

Exhibit 2
TOTAL HOME EQUITY CREDIT

	1988	1987
Total Home Equity Credit	$28,366,000,000	$27,200,000,000
Total Consumer Credit	$96,684,000,000	$108,000,000,000
Percent	29%	25%

Exhibit 3
OPEN-END HOME EQUITY REVOLVING CREDIT LINES -- APPROVED AND OUTSTANDING

A. Approved Open-End Lines

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	1,242	$ 39,504,606	$31,807
Mean	3,573	131,934,270	36,925

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	910	$23,500,000	$25,824
Mean	2,495	84,100,000	33,707

B. Outstanding Open-End Lines

1988	Median	Mean
Amount Outstanding	$24,561,321	$70,324,834
Number of Outstanding Lines	1,117	2,846
Average Outstanding Line	$21,989	$24,710
1987		
Amount Outstanding	$15,600,000	$41,500,000
Number of Outstanding Lines	N/A	N/A
Average Outstanding Line	N/A	N/A

Exhibit 4
BEGINNING YEAR OF OPEN-END HOME EQUITY CREDIT LENDING
(Percent of Institutions)

Pre 1981	1%
1981	3
1982	3
1983	16
1984	17
1985	16
1986	23
1987	18
1988	2
1989	1

Home Equity Loan Activity

Exhibit 5
HOME EQUITY OPEN-END LINES OF CREDIT BOOKED

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	373	$11,640,950	$31,209
Mean	1,113	45,806,246	41,156

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	588	$15,000,000	$25,510
Mean	1,197	42,400,000	35,422

Home Equity Loan Activity **Total U.S. Sample**

Exhibit 6
CLOSED-END HOME EQUITY LOANS OUTSTANDING

	1988		
	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	918	$13,438,499	$14,639
Mean	3,083	67,761,983	21,979

	1987		
	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	750	$10,700,000	$14,267
Mean	2,416	50,400,000	20,861

Home Equity Loan Activity

Exhibit 7
CLOSED-END HOME EQUITY LINES BOOKED IN 1988

	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	293	$ 6,014,650	$20,528
Mean	949	27,334,565	28,804

Exhibit 8
FIXED AND VARIABLE RATE HOME EQUITY LOANS OUTSTANDING

As a percent of total home equity credit:

	1988	1987
Total open-end fixed rate	2%	2%
Total open-end variable rate	98	98%

Home Equity Loan Activity

Exhibit 9
TOTAL HOME EQUITY LINES OF CREDIT -- MINIMUM AND MAXIMUM AMOUNTS

	Minimum Line Amount		Maximum Line Amount	
	1988	1987	1988	1987
Median	$5,000	$5,000	$100,000	$100,000
Mean	7,393	7,365	239,034	269,667

Exhibit 10
UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

A. Percent of Institutions Utilizing a Debt-to-Income Formula

1988	1987
93%	94%

B. Percent of Institutions Utilizing Debt-to-Income Formula on a Gross or Net Basis

	1988	1987
Gross	75%	75%
Net	25	25

C. Percentage Utilized in Gross Debt-to-Income Formula

	1988	1987
Median	36%	36%
Mean	38	37

D. Percentage Utilized in Net Debt-to-Income Formula

	1988	1987
Median	40%	43%
Mean	42	43

E. Percentage of Institutions Using a Firm Formula or a Guideline

	1988	1987
Firm	33%	29%
Guideline	67	71

Exhibit 10 (continued)
UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

F. Percentage of Institutions Utilizing Same Debt-to-Income Formula as for Other Consumer Loans

	1988	1987
Same formula	62%	57%
Different formula	38	43

G. If a Different Formula is Used for Home Equity Credit Than Consumer Loans, is That Formula:

	1988	1987
Higher	43%	32%
Lower	57	68

Application/Approval Process

Exhibit 11
MAXIMUM LOAN-TO-VALUE RATIOS ON OWNER-OCCUPIED HOME EQUITY LOANS

	1988	1987
Median	75%	75%
Mean	77	77

Exhibit 12
METHODS UTILIZED IN APPROVING HOME EQUITY LOAN APPLICATIONS

A. Formal or Informal Scoring Techniques (Percent of Institutions)

	1988	1987
Credit Scoring	13%	2%
Judgment	85	82
Combination	2	16

B. Average Required Processing Time (days)

	1988	1987
Median	14	14
Mean	16	18

C. Percent of Approved Open-End Lines that Close

	1988	1987
Median	95%	94%
Mean	88	88

Application/Approval Process

Exhibit 13
TYPES OF HOME EQUITY LOAN APPRAISAL METHODS
(Percent of Institutions)

	1988	1987
Full Appraisals	58%	58%
"Drive-By" Appraisals	28	28
Tax Assessments	13	11
Other	1	3

Exhibit 14
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

A. Title Insurance Requirement (Percent of Institutions)

	1988	1987
Always	25%	32%
Lines over $15,000	3	N/A
Lines over $25,000	1	6
Lines over $30,000	3	2
Lines over $35,000	0	1
Lines over $40,000	0	1
Lines over $50,000	8	N/A
Lines over $75,000	1	1
Lines over $100,000	5	2
First Mortgage	1	0
Other	14	15
Not Required	39	40

B. PMI Insurance Requirement (Percent of Institutions)

	1988	1987
Yes	3%	5%
No	97	95

C. Credit Life Insurance Offered (Percent of Institutions)

	1988	1987
Yes	65%	63%
No	35	37

D. Maximum Amount Insured

	1988	1987
Median	$50,000	$49,935
Mean	55,455	51,201

Exhibit 14 (continued)
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

E. Captive Insurance Company (Percent of Institutions)

	1988	1987
Yes	38%	38%
No	62	62

F. Percent of Applicants Taking Credit Life Insurance

	1988	1987
Median	20%	21%
Mean	22	27

Exhibit 15
AVAILABILITY OF NON-OWNER HOME EQUITY LOANS

A. Lend on Non-Owner Occupied Property (Percent of Institutions)

	1988	1987
Yes	36%	31%
No	64	69

B. Charge Higher Interest Rate [owner vs. non-owner] (Percent of Institutions)

	1988	1987
Yes	22%	22%
No	78	78

C. Average Difference in Interest Rate Charged (Basis Points)

	1988	1987
Median	100	N/A
Mean	92	N/A

D. Loan-to-Value Ratio for Non-Owner Occupied Homes

	1988	1987
Median	75%	75%
Mean	74	72

N/A = Not Available

Exhibit 16
AVAILABILITY OF HOME EQUITY LOANS ON CONDOMINIUMS AND CO-OPS
(Percent of Institutions)

A. Home Equity Loans on Condominiums

	1988	1987
Yes	82%	75%
No	18	25

B. Home Equity Loans on Co-ops

	1988	1987
Yes	12%	10%
No	88	90

Terms and Servicing

Exhibit 17
INSTITUTIONS CHARGING FEES ON HOME EQUITY LOANS*

	1988		1987	
	Percent of Institutions	Average Fee	Percent of Institutions	Average Fees
Annual Fees	28%	$34	34%	N/A
Application Fees	14	141	17	N/A
Appraisal Fees	63	49	79	N/A
Attorney Fees	19	168	30	N/A
Closing Fees	5	130	19	N/A
Credit Check Fees	9	16	13	N/A
Loan Set-Up Fees	6	119	5	N/A
Mortgage Tax	4	321	15	N/A
Points	3	153	[illegible]	N/A
Property Report	8	65	21	N/A
Recording Fees	69	29	77	N/A
Subordination Fees	3	22	10	N/A
Title Insurance	31	271	54	N/A
Title Search Fees	22	88	53	N/A
Unused Commitment Fee	1	125	N/A	N/A
Other Fees	9	168	11	N/A

* Multiple answers allowed

Exhibit 18
INTEREST RATE INDEX UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
The Wall Street Journal Prime Rate	50%	42%
A Bank Prime Rate	29	33
30 day Treasury Bill Rate	0	1
90 day Treasury Bill Rate	6	8
6 month Treasury Bill Rate	6	5
52 week Treasury Bill Rate	0	0
Other	9	11

Terms and Servicing

Exhibit 19
CAN HOME EQUITY LINES BE CONVERTED FROM VARIABLE TO FIXED RATE

	1988	1987
Yes	27%	N/A
No	73	N/A

Exhibit 20
SPREAD OVER SELECTED INTEREST RATE INDICES UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(in basis points)

	1988	1987
Spread Over Prime Rate Index		
Median	185	200
Mean	182	184
Spread Over Treasury Bill Index*		
Median	400	403
Mean	386	415

*Includes all types of Treasury Bills

Terms and Servicing

Exhibit 21
FREQUENCY OF INTEREST RATE ADJUSTMENTS ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
Daily	11%	2%
Monthly	64	70
Quarterly	17	15
Other	8	13

Exhibit 22
INITIAL RATES AND UPWARD ADJUSTMENT CAPS ON VARIABLE RATE HOME EQUITY LOANS

A. Percent of Institutions That Limit Annual Adjustments

	1988	1987
Yes	30%	N/A
No	70%	N/A

B. Maximum Lifetime Adjustment

	1988	1987
Median	18.0%	17.0%
Mean	18.2%	15.0%

C. Interest Rate Cap Set A State's Usury Rate (Percent of Institutions)

	1988	1987
Yes	48%	N/A
No	52%	N/A

Exhibit 23
INTEREST RATE FLOORS ON VARIABLE RATE HOME EQUITY LOANS

A. Median Annual Interest Rate Floors (Percent of Institutions)

	1988	1987
Yes	14%	21%
No	86	79
Median Annual Floor Rate (%)	8.0	8.6

B. Median Lifetime Interest Rate Floor (Percent of Institutions)

	1988	1987
Yes	23%	35%
No	77	65
Median Lifetime Floor Rate (%)	8.0	8.5

Exhibit 24
PERIODIC CREDIT REVIEW PROCESS ON OUTSTANDING HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
A. Conduct Credit Review		
Yes	72%	72%
No	28	28
B. Frequency of Credit Review		
Monthly	6%	5
Quarterly	3	2
Semi-annually	3	4
Yearly	41	46
Biennial	17	19
Triennial	16	12
Every 5 years	6	3
Other	8	9
C. Utilize Account Monitoring System		
Yes	49%	49%
No	51	51
D. Account Monitoring Systems		
Internal Report	13%	N/A
TRW Monthly Signal	18	N/A
Delinquency	20	N/A
Computer Tickler	7	N/A
Collection Department	15	N/A
Other	27	N/A

N/A = Not Available

Exhibit 25
MOST FREQUENTLY USED ACCESS METHODS TO VARIABLE RATE OPEN-END HOME EQUITY LINES OF CREDIT*

Type of Access Methods	1988 Most Frequently Used	 Median Minimum Transaction Amounts
Credit Card	1%	$300
Checks	88	250
Bank Check	1	100
ATM	0	75
Telephone	2	20
Draft Account (Credit Union)	1	5
Overdraft Protection	1	100
Debit Cards	2	100
Personal Withdrawals at Branch	1	250
Other	3	500

Terms and Servicing

Exhibit 26
PERCENT OF INSTITUTIONS THAT PERMIT INTEREST ONLY PAYMENTS

	1988	1987
Yes	40%	40%
No	60	60

Exhibit 27
DOLLAR AMOUNT OF DELINQUENT OPEN-END HOME EQUITY LINES*

	1988		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$1,062,825	$70,324,834	1.5%

	1987		
	Dollar Amount Delinquent**	Average Home Equity Credit	Percent
Mean	$232,554	$41,500,000	.6%

* A delinquent account is one that is over 30 days past due.

** Only 113 institutions (46 percent of the sample) reported any delinquencies at year end of 1987. In 1988, 149 institutions (67 percent of the sample) reported any delinquencies.

Exhibit 28
DOLLAR AMOUNT OF FORECLOSURES ON OPEN-END HOME EQUITY LINES*

	1988		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$177,339	$70,324,839	.2%

	1987		
	Dollar Amount Foreclosures*	Average Home Equity Credit	Percent
Mean	$12,794	$41,500,000	.03%

* Only 24 institutions (less than 10% of the sample) reported any foreclosures in 1987. In 1988, 40 institutions (less than 18% of the sample) reported a foreclosure.

Exhibit 29
DOLLAR AMOUNTS OF CHARGE-OFFS ON OPEN-END HOME EQUITY LINES

A. Gross Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$108,300	$70,324,834	.15%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$4,935	$41,500,000	.01%

B. Net Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$82,280	$70,324,834	.12%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$1,343	$41,500,000	.003%

Exhibit 30
OPEN-END HOME EQUITY LOANS OUTSTANDING WITH DEATH CLAIMS

	1988 Number of Death Claims	1987 Number of Death Claims
Median	2.0	.09
Mean	4.0	.69

Borrower Profile/Marketing

Exhibit 31
PRIMARY USES FOR HOME EQUITY CREDIT
(Percent of Institutions)

	1988	1987
Debt Consolidation	53%	N/A
Home Improvements	33	N/A
Tax Advantage	3	N/A
Consumer Purchase	3	N/A
Cash	5	N/A
Education	1	N/A
Investments	1	N/A
Other	1	N/A

Exhibit 32
BORROWER CHARACTERISTICS

A. Borrowers Average Age (Percentage of borrowers)

Age	1988	1987
20-34	14%	11%
35-49	51	52
50-64	29	25
65 and over	6	5

B. Other Demographics

	1988		
	Median	Mean	Range
Years in Current Job	10	9.0	2 to 20
Years of Home Ownership	10	9.8	3 to 45
Number of Dependents (including spouse)	3	3	1 to 4
Household Income	$45,000	$47,952	$20,000 to $150,000

	1987		
	Median	Mean	Range
Years in Current Job	8.2	8.6	3 to 20
Years of Home Ownership	9.6	9.4	3 to 20
Number of Dependents (including spouse)	2.9	2.9	1 to 5
Household Income	$40,646	$46,086	$23,600 to $150,000

Exhibit 33
BORROWER'S EQUITY IN HOME

	1988		
	Appraisal Value	First Mortgage	Available Equity
Median	$90,000	$40,000	$50,000
Mean	119,900	51,346	68,554

	1987		
	Appraisal Value	First Mortgage	Available Equity
Median	$85,081	$35,051	$50,030
Mean	108,772	40,874	67,898

Exhibit 34
INCREASE IN CURRENT LINE

A. Percent of Institutions Permitting Increase In Current Line

	1988	1987
Yes	92%	87%
No	8	13

B. Percent of Institutions Charging Additional Fees For Current Line

	1988	1987
Yes	83%	89%
No	17	11

C. Number of Increases in Current Line

	1988	1987
Median	11	N/A
Mean	90	N/A

D. Dollar Increase in Current Line

	1988	1987
Median	$12,568	N/A
Mean	18,426	N/A

N/A = Not Available

Exhibit 35
IMPORTANCE OF MARKETING MEDIA*

	1988	1987
Newspaper	4.4	4.3
Direct Mail	4.1	4.2
Statement Stuffer	3.5	3.7
Television	2.0	2.5
Magazines	1.5	1.6
Radio	2.8	2.9
Cross Selling	4.7	4.5
Word of Mouth	4.1	4.1
Billboards	2.0	2.2
Brochures	3.7	3.6
Telemarketing	2.7	3.0
Realtor Referrals	2.0	1.9
Construction Co. Ref.	1.5	1.6
Employee Incentive	2.9	2.9
No or Low Closing Costs	4.4	4.3
Low Introductory Rates	2.6	2.7
Other	N/A	3.5

* Scale of 1 to 6 (where 1 is not important and 6 is very important).

N/A=Not Available

Exhibit 36
PRIMARY MARKETING MEDIUM
(Percent of Institutions)

	1988	1987
Newspaper	20%	26%
Direct Mail	17	19
Statement Stuffer	4	2
Television	1	3
Magazines	0	0
Radio	1	2
Cross Selling	13	16
Word of Mouth	4	3
Billboards	0	1
Brochures	2	1
Telemarketing	4	3
Realtor Referrals	0	.4
Construction Co. Ref.	0	3
Employee Incentive	4	15
No or Low Closing Costs	20	3
Low Introductory Rates	1	0
Other	9	2

Borrower Profile/Marketing

Exhibit 37
HOME EQUITY LOAN SECONDARY MARKET ACTIVITY
(Percent of Institutions)

A. Buy Loans in the Secondary Market

	1988	1987
Yes	2%	1%
No	98	99

B. Sell Loans in the Secondary Market

	1988	1987
Yes	1%	1%
No	99	99

Exhibit 38
SECURITIZATION OF HOME EQUITY LINES

A. Securitizing Home Equity Lines (Percent of Institutions)

	1988	1987
Yes	9%	N/A
No	91	N/A

B. Institutions Not Currently Securitizing, That Are Planning to Securitize in Coming Year (Percent of Institutions)

	1988	1987
Yes	6%	N/A
No	94	N/A

Exhibit 39
RETURN ON ASSETS AND GROWTH IN ASSETS

A. Return on Assets

	1988	1987
Median	1.09%	N/A
Mean	1.22	N/A

B. Growth in Assets From Year Earlier

	1988	1987
Median	7.5%	N/A
Mean	8.7	N/A

NEW ENGLAND INSTITUTIONS

Exhibit 1
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

A. Total Consumer Credit Outstanding*

	1988		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$181,807,294	$1,200,000,000	15%
Mean	996,538,713	7,950,386,963	13

	1987		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$121,000,000	$ 655,000,000	18%
Mean	286,000,000	1,890,000,000	15

B. Total Delinquent** Consumer Credit*

	1988			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$10,286,140	754	$181,807,294	5.6%
Mean	26,098,593	3,616	996,538,713	2.6

	1987			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$2,658,156	N/A	$121,000,000	2.2%
Mean	5,031,004	N/A	286,000,000	1.8

* Excludes unsecured credit cards.
** Past due by more than 30 days.

Exhibit 1 (continued)
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

C. Consumer Credit* Charged Off

	1988			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$ 814,073	307	$181,807,294	.45%
Mean	2,857,963	1,090	996,538,713	.29

	1987			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$227,335	N/A	$121,000,000	.18%
Mean	661.359	N/A	286,000,000	.23

* Excludes unsecured credit cards.

Home Equity Loan Activity

Exhibit 2
TOTAL HOME EQUITY CREDIT

	1988	1987
Total Home Equity Credit	$6,922,783,870	$2,240,000,000
Total Consumer Credit	$12,955,000,000	$5,140,000,000
Percent	53%	44%

Exhibit 3
OPEN-END HOME EQUITY REVOLVING CREDIT LINES -- APPROVED AND OUTSTANDING

A. Approved Open-End Lines

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	1,935	$ 62,275,408	$32,184
Mean	12,285	496,347,361	40,403

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	1,020	$ 34,900,000	$34,216
Mean	3,678	132,000,000	35,889

B. Outstanding Open-End Lines

1988	Median	Mean
Amount Outstanding	$32,268,481	$239,820,800
Number of Outstanding Lines	1,333	7,175
Average Outstanding Line	$24,207	$33,425
1987		
Amount Outstanding	$17,400,000	$64,400,000
Number of Outstanding Lines	N/A	N/A
Average Outstanding Line	N/A	N/A

Exhibit 4
BEGINNING YEAR OF OPEN-END HOME EQUITY CREDIT LENDING
(Percent of Institutions)

Pre 1981	0%
1981	0
1982	0
1983	15
1984	23
1985	8
1986	31
1987	15
1988	8
1989	0

Home Equity Loan Activity

Exhibit 5
HOME EQUITY OPEN-END LINES OF CREDIT BOOKED

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	687	$ 28,181,560	$41,021
Mean	2,548	128,660,321	50,495

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	645	$23,600,000	$36,589
Mean	1,417	61,500,000	43,402

Exhibit 6
CLOSED-END HOME EQUITY LOANS OUTSTANDING

	1988		
	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	1.338	$36,272,281	$27,109
Mean	2,501	58,783,523	23,504

	1987		
	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	450	$ 6,589,170	$14,643
Mean	1,412	31,600,000	22,380

Home Equity Loan Activity

Exhibit 7
CLOSED-END HOME EQUITY LINES BOOKED IN 1988

	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	392	$ 9,287,637	$23,693
Mean	878	24,488,514	27,891

Exhibit 8
FIXED AND VARIABLE RATE HOME EQUITY LOANS OUTSTANDING

As a percent of total home equity credit:

	1988	1987
Total open-end fixed rate	0%	2%
Total open-end variable rate	100	98%

Home Equity Loan Activity

Exhibit 9
TOTAL HOME EQUITY LINES OF CREDIT -- MINIMUM AND MAXIMUM AMOUNTS

	Minimum Line Amount		Maximum Line Amount	
	1988	1987	1988	1987
Median	$5,000	$7,250	$100,000	$120,000
Mean	8,036	8,324	272,222	188,889

Exhibit 10

UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

A. Percent of Institutions Utilizing a Debt-to-Income Formula

1988	1987
93%	100%

B. Percent of Institutions Utilizing Debt-to-Income Formula on a Gross or Net Basis

	1988	1987
Gross	83%	72%
Net	17	28

C. Percentage Utilized in Gross Debt-to-Income Formula

	1988	1987
Median	36%	36%
Mean	38	37

D. Percentage Utilized in Net Debt-to-Income Formula

	1988	1987
Median	53%	51%
Mean	53	50

E. Percentage of Institutions Using a Firm Formula or a Guideline

	1988	1987
Firm	46%	11%
Guideline	54	89

Exhibit 10 (continued)
UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

F. Percentage of Institutions Utilizing Same Debt-to-Income Formula as for Other Consumer Loans

	1988	1987
Same formula	54%	78%
Different formula	46	22

G. If a Different Formula is Used for Home Equity Credit Than Consumer Loans, is That Formula:

	1988	1987
Higher	80%	17%
Lower	20	63

Application/Approval Process

Exhibit 11
MAXIMUM LOAN-TO-VALUE RATIOS ON OWNER-OCCUPIED HOME EQUITY LOANS

	1988	1987
Median	80%	80%
Mean	79	79

Exhibit 12
METHODS UTILIZED IN APPROVING HOME EQUITY LOAN APPLICATIONS

A. Formal or Informal Scoring Techniques (Percent of Institutions)

	1988	1987
Credit Scoring	7%	0%
Judgment	86	78
Combination	7	22

B. Average Required Processing Time (days)

	1988	1987
Median	18	21
Mean	18	21

C. Percent of Approved Open-End Lines that Close

	1988	1987
Median	89%	90%
Mean	84	88

Application/Approval Process

Exhibit 13
TYPES OF HOME EQUITY LOAN APPRAISAL METHODS
(Percent of Institutions)

	1988	1987
Full Appraisals	44%	33%
"Drive-By" Appraisals	26	17
Tax Assessments	29	45
Other	1	5

Exhibit 14

REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

A. Title Insurance Requirement (Percent of Institutions)

	1988	1987
Always	7%	14%
Lines over $15,000	0	N/A
Lines over $25,000	0	0
Lines over $30,000	0	0
Lines over $35,000	0	0
Lines over $40,000	0	0
Lines over $50,000	14	0
Lines over $75,000	7	0
Lines over $100,000	21	7
First Mortgage	0	7
Other	4	0
Not Required	50	72

B. PMI Insurance Requirement (Percent of Institutions)

	1988	1987
Yes	0%	6%
No	100	94

C. Credit Life Insurance Offered (Percent of Institutions)

	1988	1987
Yes	43%	44%
No	57	56

D. Maximum Amount Insured

	1988	1987
Median	$50,000	$26,666
Mean	52,500	37,857

Exhibit 14 (continued)
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

E. Captive Insurance Company (Percent of Institutions)

	1988	1987
Yes	29%	25%
No	71	75

F. Percent of Applicants Taking Credit Life Insurance

	1988	1987
Median	12%	31%
Mean	18	28

Exhibit 15
AVAILABILITY OF NON-OWNER HOME EQUITY LOANS

A. Lend on Non-Owner Occupied Property (Percent of Institutions)

	1988	1987
Yes	50%	33%
No	50	67

B. Charge Higher Interest Rate [owner vs. non-owner] (Percent of Institutions)

	1988	1987
Yes	22%	14%
No	78	86

C. Average Difference in Interest Rate Charged (Basis Points)

	1988	1987
Median	50	N/A
Mean	50	N/A

D. Loan-to-Value Ratio for Non-Owner Occupied Homes

	1988	1987
Median	80%	76%
Mean	77	76

N/A = Not Available

Application/Approval Process

Exhibit 16
AVAILABILITY OF HOME EQUITY LOANS ON CONDOMINIUMS AND CO-OPS
(Percent of Institutions)

A. Home Equity Loans on Condominiums

	1988	1987
Yes	93%	78%
No	7	22

B. Home Equity Loans on Co-ops

	1988	1987
Yes	0%	6%
No	100	94

Terms and Servicing

Exhibit 17
INSTITUTIONS CHARGING FEES ON HOME EQUITY LOANS*

	1988		1987	
	Percent of Institutions	Average Fee	Percent of Institutions	Average Fees
Annual Fees	24%	$ 36	33%	N/A
Application Fees	0	N/A	N/A	N/A
Appraisal Fees	71	111	94	N/A
Attorney Fees	36	210	61	N/A
Closing Fees	0	N/A	17	N/A
Credit Check Fees	7	25	N/A	N/A
Loan Set-Up Fees	7	25	N/A	N/A
Mortgage Tax	0	N/A	6	N/A
Points	0	N/A	6	N/A
Property Report	0	N/A	6	N/A
Recording Fees	43	24	56	N/A
Subordination Fees	3	8	22	N/A
Title Insurance	0	N/A	22	N/A
Title Search Fees	21	72	33	N/A
Unused Commitment Fee	0	N/A	N/A	N/A
Other Fees	7	25	6	N/A

* Multiple answers allowed

Exhibit 18
INTEREST RATE INDEX UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
The Wall Street Journal Prime Rate	36%	56%
A Bank Prime Rate	57	33
30 day Treasury Bill Rate	0	6
90 day Treasury Bill Rate	0	0
6 month Treasury Bill Rate	0	0
52 week Treasury Bill Rate	7	0
Other	0	5

Terms and Servicing

Exhibit 19
CAN HOME EQUITY LINES BE CONVERTED FROM VARIABLE TO FIXED RATE

	1988	1987
Yes	36%	N/A
No	64	N/A

Exhibit 20
SPREAD OVER SELECTED INTEREST RATE INDICES UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(in basis points)

	1988	1987
Spread Over Prime Rate Index		
Median	150	188
Mean	162	177
Spread Over Treasury Bill Index*		
Median	325	350
Mean	325	350

*Includes all types of Treasury Bills

Terms and Servicing

Exhibit 21
FREQUENCY OF INTEREST RATE ADJUSTMENTS ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
Daily	0%	6%
Monthly	86	67
Quarterly	7	17
Other	7	10

Exhibit 22
INITIAL RATES AND UPWARD ADJUSTMENT CAPS ON VARIABLE RATE HOME EQUITY LOANS

A. Percent of Institutions That Limit Annual Adjustments

	1988	1987
Yes	23%	50%
No	77	44

B. Maximum Lifetime Adjustment

	1988	1987
Median	18.0%	16.5%
Mean	16.0	17.3

C. Interest Rate Cap Set A State's Usury Rate (Percent of Institutions)

	1988	1987
Yes	55%	N/A
No	45%	N/A

Exhibit 23
INTEREST RATE FLOORS ON VARIABLE RATE HOME EQUITY LOANS

A. Median Annual Interest Rate Floors (Percent of Institutions)

	1988	1987
Yes	17%	0%
No	83	100
Median Annual Floor Rate (%)	5.13	N/A

B. Median Lifetime Interest Rate Floor (Percent of Institutions)

	1988	1987
Yes	8%	6%
No	92	94
Median Lifetime Floor Rate (%)	4.5	N/A

Exhibit 24
PERIODIC CREDIT REVIEW PROCESS ON OUTSTANDING HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
A. Conduct Credit Review		
Yes	50%	65%
No	50	35
B. Frequency of Credit Review		
Monthly	0%	11%
Quarterly	14	11
Semi-annually	0	11
Yearly	14	55
Biennial	14	11
Triennial	14	0
Every 5 years	24	0
Other	20	1
C. Utilize Account Monitoring System		
Yes	23%	38%
No	77	62
D. Account Monitoring Systems		
Internal Report	0%	N/A
TRW Monthly Signal	0	N/A
Delinquency	33	N/A
Computer Tickler	0	N/A
Collection Department	0	N/A
Other	67	N/A

N/A = Not Available

Exhibit 25
MOST FREQUENTLY USED ACCESS METHODS TO VARIABLE RATE OPEN-END HOME EQUITY LINES OF CREDIT*

Type of Access Methods	1988 Most Frequently Used	1988 Median Minimum Transaction Amounts
Credit Card	0%	$100
Checks	86	200
Bank Check	0	N/A
ATM	0	55
Telephone	0	10
Draft Account (Credit Union)	0	N/A
Overdraft Protection	0	51
Debit Cards	0	N/A
Personal Withdrawals at Branch	0	100
Other	14	N/A

* Multiple answers allowed

Terms and Servicing

Exhibit 26
PERCENT OF INSTITUTIONS THAT PERMIT INTEREST ONLY PAYMENTS

	1988	1987
Yes	86%	78%
No	14	22

Exhibit 27
DOLLAR AMOUNT OF DELINQUENT OPEN-END HOME EQUITY LINES*

	1988		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$4,852,259	$239,820,800	2%

	1987		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$328,101	$64,400,000	0.03%

* A delinquent account is one that is over 30 days past due.

Exhibit 28
DOLLAR AMOUNT OF FORECLOSURES ON OPEN-END HOME EQUITY LINES

	1988		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$627,293	$239,820,800	.26%

	1987		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$2,778	$64,400,000	0.004%

Exhibit 29

DOLLAR AMOUNTS OF CHARGE-OFFS ON OPEN-END HOME EQUITY LINES

A. Gross Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$839,373	$239,820,800	.35%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	N/A	$64,400,000	N/A

B. Net Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$95,928	$239,820,800	.04%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	N/A	$64,400,000	N/A

Exhibit 30
OPEN-END HOME EQUITY LOANS OUTSTANDING WITH DEATH CLAIMS

	1988 Number of Death Claims	1987 Number of Death Claims
Median	6.0	0.1
Mean	6.0	0.4

Borrower Profile/Marketing

Exhibit 31
PRIMARY USES FOR HOME EQUITY CREDIT
(Percent of Institutions)

	1988	1987
Debt Consolidation	21%	25%
Home Improvements	43	63
Tax Advantage	0	0
Consumer Purchase	0	0
Cash	14	0
Education	0	12
Investments	0	0
Other	22	0

Exhibit 32
BORROWER CHARACTERISTICS

A. Borrowers Average Age (Percentage of borrowers)

Age	1988	1987
20-34	14%	16%
35-49	54	53
50-64	25	21
65 and over	7	5

B. Other Demographics

	1988		
	Median	Mean	Range
Years in Current Job	9.0	9.0	5 to 13
Years of Home Ownership	10.0	8.3	5 to 10
Number of Dependents (including spouse)	3.0	2.7	2 to 3
Household Income	$50,000	$57,556	$40,000 to $90,000

	1987		
	Median	Mean	Range
Years in Current Job	5	6	3 to 11
Years of Home Ownership	7	8	3 to 20
Number of Dependents (including spouse)	3	3	2 to 4
Household Income	$41,000	$44,315	$25,000 to $75,032

Exhibit 33

BORROWER'S EQUITY IN HOME

	1988		
	Appraisal Value	First Mortgage	Available Equity
Median	$185,000	$65,000	$120,000
Mean	231,429	75,286	156,143

	1987		
	Appraisal Value	First Mortgage	Available Equity
Median	$148,000	$49,375	$98,625
Mean	143,691	54,791	88,900

Exhibit 34
INCREASE IN CURRENT LINE

A. Percent of Institutions Permitting Increase In Current Line

	1988	1987
Yes	86%	88%
No	14	12

B. Percent of Institutions Charging Additional Fees For Current Line

	1988	1987
Yes	75%	80%
No	25	20

C. Number of Increases in Current Line

	1988	1987
Median	141	N/A
Mean	194	N/A

D. Dollar Increase in Current Line

	1988	1987
Median	$19,833	N/A
Mean	22,836	N/A

N/A = Not Available

Exhibit 35
IMPORTANCE OF MARKETING MEDIA*

	1988	1987
Newspaper	5.3	4.4
Direct Mail	3.9	3.9
Statement Stuffer	3.6	3.9
Television	2.5	2.1
Magazines	1.3	N/A
Radio	2.9	2.8
Cross Selling	4.4	4.8
Word of Mouth	4.5	4.8
Billboards	2.0	2.3
Brochures	4.1	3.8
Telemarketing	2.4	3.7
Realtor Referrals	1.8	1.6
Construction Co. Ref.	1.6	1.2
Employee Incentive	3.6	3.1
No or Low Closing Costs	5.6	5.0
Low Introductory Rates	1.9	2.3
Other	3.1	5.5

* Scale of 1 to 6 (where 1 is not important and 6 is very important).
N/A=Not Available

Exhibit 36
PRIMARY MARKETING MEDIUM
(Percent of Institutions)

	1988	1987
Newspaper	21%	24%
Direct Mail	14	24
Statement Stuffer	0	6
Television	7	0
Magazines	0	0
Radio	0	6
Cross Selling	0	24
Word of Mouth	7	0
Billboards	0	0
Brochures	7	0
Telemarketing	0	0
Realtor Referrals	0	0
Construction Co. Ref.	0	0
Employee Incentive	7	6
No or Low Closing Costs	21	6
Low Introductory Rates	7	0
Other	19	4

Borrower Profile/Marketing

Exhibit 37
HOME EQUITY LOAN SECONDARY MARKET ACTIVITY
(Percent of Institutions)

A. Buy Loans in the Secondary Market

	1988	1987
Yes	0%	6%
No	100	94

B. Sell Loans in the Secondary Market

	1988	1987
Yes	0%	6%
No	100	94

Exhibit 38

SECURITIZATION OF HOME EQUITY LINES

A. Securitizing Home Equity Lines (Percent of Institutions)

	1988	1987
Yes	15%	N/A
No	85	N/A

B. Institutions Not Currently Securitizing, That Are Planning to Securitize in Coming Year (Percent of Institutions)

	1988	1987
Yes	9%	N/A
No	91	N/A

Exhibit 39
RETURN ON ASSETS AND GROWTH IN ASSETS

A. Return on Assets

	1988	1987
Median	1.0%	N/A
Mean	1.0	N/A

B. Growth in Assets From Year Earlier

	1988	1987
Median	7.4%	N/A
Mean	9.1	N/A

MID ATLANTIC
INSTITUTIONS

Exhibit 1
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

A. Total Consumer Credit Outstanding*

	1988		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$199,738,625	$1,200,000,000	17%
Mean	552,773,937	4,503,274,998	12

	1987		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$175,000,000	$1,000,000,000	18%
Mean	541,000,000	5,860,000,000	9

B. Total Delinquent** Consumer Credit*

	1988			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$ 4,581,483	744	$199,738,625	2.3%
Mean	13,818,314	2,040	552,773,937	2.5

	1987			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$2,967,560	N/A	$175,000,000	2%
Mean	6,381,394	N/A	541,000,000	1

* Excludes unsecured credit cards.
** Past due by more than 30 days.

Exhibit 1 (continued)
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

C. Consumer Credit* Charged Off

	1988			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$ 704,078	236	$199,738,625	.35%
Mean	1,627,818	663	552,773,937	.29

	1987			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$ 240	N/A	$175,000,000	0%
Mean	15,262	N/A	541,000,000	0

* Excludes unsecured credit cards.

Home Equity Loan Activity

Exhibit 2
TOTAL HOME EQUITY CREDIT

	1988	1987
Total Home Equity Credit	$9,426,533,180	$7,310,000,000
Total Consumer Credit	$35,378,000,000	$32,500,000,000
Percent	27%	22%

Exhibit 3
OPEN-END HOME EQUITY REVOLVING CREDIT LINES -- APPROVED AND OUTSTANDING

A. Approved Open-End Lines

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	2,187	$ 68,785,000	$31,452
Mean	3,135	136,171,858	43,436

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	1,518	$ 40,000,000	$26,350
Mean	3,066	122,000,000	39,791

B. Outstanding Open-End Lines

1988	Median	Mean
Amount Outstanding	$34,180,222	$74,140,949
Number of Outstanding Lines	1,915	2,987
Average Outstanding Line	$17,849	$24,821
1987		
Amount Outstanding	$22,700,000	$64,000,000
Number of Outstanding Lines	N/A	N/A
Average Outstanding Line	N/A	N/A

Exhibit 4
BEGINNING YEAR OF OPEN-END HOME EQUITY CREDIT LENDING
(Percent of Institutions)

Pre 1981	0%
1981	5
1982	5
1983	8
1984	22
1985	21
1986	27
1987	11
1988	1
1989	0

Home Equity Loan Activity

Exhibit 5
HOME EQUITY OPEN-END LINES OF CREDIT BOOKED

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	615	$16,901,575	$27,482
Mean	980	39,141,684	39,940

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	888	$28,900,000	$32,545
Mean	1,508	64,000,000	42,440

Exhibit 6
CLOSED-END HOME EQUITY LOANS OUTSTANDING

	1988		
	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	787	$11,983,014	$15,226
Mean	1,206	22,910,976	18,997

	1987		
	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	590	$10,200,000	$17,288
Mean	1,230	26,700,000	21,707

Home Equity Loan Activity

Exhibit 7
CLOSED-END HOME EQUITY LINES BOOKED IN 1988

	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	226	$ 4,758,551	$21,056
Mean	404	12,197,634	30,192

Exhibit 8
FIXED AND VARIABLE RATE HOME EQUITY LOANS OUTSTANDING

As a percent of total home equity credit:

	1988	1987
Total open-end fixed rate	1%	1%
Total open-end variable rate	99	99%

Home Equity Loan Activity

Exhibit 9
TOTAL HOME EQUITY LINES OF CREDIT -- MINIMUM AND MAXIMUM AMOUNTS

	Minimum Line Amount		Maximum Line Amount	
	1988	1987	1988	1987
Median	$7,500	$7,500	$ 225,000	$180,000
Mean	8,173	7,855	310,778	252,143

Exhibit 10
UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

A. Percent of Institutions Utilizing a Debt-to-Income Formula

1988	1987
98%	98%

B. Percent of Institutions Utilizing Debt-to-Income Formula on a Gross or Net Basis

	1988	1987
Gross	88%	81%
Net	12	19

C. Percentage Utilized in Gross Debt-to-Income Formula

	1988	1987
Median	36%	36%
Mean	37	36

D. Percentage Utilized in Net Debt-to-Income Formula

	1988	1987
Median	40%	41%
Mean	40	41

E. Percentage of Institutions Using a Firm Formula or a Guideline

	1988	1987
Firm	29%	23%
Guideline	71	77

Exhibit 10 (continued)
UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

F. Percentage of Institutions Utilizing Same Debt-to-Income Formula as for Other Consumer Loans

	1988	1987
Same formula	57%	64%
Different formula	43	36

G. If a Different Formula is Used for Home Equity Credit Than Consumer Loans, is That Formula:

	1988	1987
Higher	50%	33%
Lower	50	67

Exhibit 11
MAXIMUM LOAN-TO-VALUE RATIOS ON OWNER-OCCUPIED HOME EQUITY LOANS

	1988	1987
Median	75%	76%
Mean	75	76

Exhibit 12
METHODS UTILIZED IN APPROVING HOME EQUITY LOAN APPLICATIONS

A. Formal or Informal Scoring Techniques (Percent of Institutions)

	1988	1987
Credit Scoring	0%	2%
Judgment	92	90
Combination	8	8

B. Average Required Processing Time (days)

	1988	1987
Median	14	14
Mean	19	19

C. Percent of Approved Open-End Lines that Close

	1988	1987
Median	90%	90%
Mean	84	83

Application/Approval Process

Exhibit 13
TYPES OF HOME EQUITY LOAN APPRAISAL METHODS
(Percent of Institutions)

	1988	1987
Full Appraisals	47%	46%
"Drive-By" Appraisals	47	48
Tax Assessments	1	1
Other	5	5

Exhibit 14
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

A. Title Insurance Requirement (Percent of Institutions)

	1988	1987
Always	14%	16%
Lines over $15,000	0	N/A
Lines over $25,000	0	9
Lines over $30,000	2	3
Lines over $35,000	0	0
Lines over $40,000	2	2
Lines over $50,000	3	N/A
Lines over $75,000	2	2
Lines over $100,000	8	3
First Mortgage	2	0
Other	14	5
Not Required	53	60

B. PMI Insurance Requirement (Percent of Institutions)

	1988	1987
Yes	0%	2%
No	100	98

C. Credit Life Insurance Offered (Percent of Institutions)

	1988	1987
Yes	80%	77%
No	20	23

D. Maximum Amount Insured

	1988	1987
Median	$ 52,500	$50,750
Mean	62,708	60,989

Exhibit 14 (continued)
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

E. Captive Insurance Company (Percent of Institutions)

	1988	1987
Yes	46%	20%
No	54	80

F. Percent of Applicants Taking Credit Life Insurance

	1988	1987
Median	25%	38%
Mean	29	39

Exhibit 15
AVAILABILITY OF NON-OWNER HOME EQUITY LOANS

A. Lend on Non-Owner Occupied Property (Percent of Institutions)

	1988	1987
Yes	34%	27%
No	66	73

B. Charge Higher Interest Rate [owner vs. non-owner] (Percent of Institutions)

	1988	1987
Yes	14%	12%
No	86	88

C. Average Difference in Interest Rate Charged (Basis Points)

	1988	1987
Median	113	N/A
Mean	89	N/A

D. Loan-to-Value Ratio for Non-Owner Occupied Homes

	1988	1987
Median	75%	75%
Mean	73	75

N/A = Not Available

Exhibit 16
AVAILABILITY OF HOME EQUITY LOANS ON CONDOMINIUMS AND CO-OPS
(Percent of Institutions)

A. Home Equity Loans on Condominiums

	1988	1987
Yes	83%	73%
No	17	27

B. Home Equity Loans on Co-ops

	1988	1987
Yes	20%	13%
No	80	87

Terms and Servicing

Exhibit 17
INSTITUTIONS CHARGING FEES ON HOME EQUITY LOANS*

	1988		1987	
	Percent of Institutions	Average Fee	Percent of Institutions	Average Fees
Annual Fees	5%	$ 33	10%	N/A
Application Fees	19	179	26	N/A
Appraisal Fees	41	146	59	N/A
Attorney Fees	19	216	20	N/A
Closing Fees	9	110	15	N/A
Credit Check Fees	11	14	16	N/A
Loan Set-Up Fees	5	180	5	N/A
Mortgage Tax	5	808	23	N/A
Points	0	N/A	7	N/A
Property Report	14	27	33	N/A
Recording Fees	47	24	67	N/A
Subordination Fees	97	17	8	N/A
Title Insurance	11	601	39	N/A
Title Search Fees	9	70	33	N/A
Unused Commitment Fee	3	125	N/A	N/A
Other Fees	8	209	15	N/A

* Multiple answers allowed

Exhibit 18
INTEREST RATE INDEX UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
The Wall Street Journal Prime Rate	67%	52%
A Bank Prime Rate	11	12
30 day Treasury Bill Rate	2	0
90 day Treasury Bill Rate	9	13
6 month Treasury Bill Rate	4	3
52 week Treasury Bill Rate	0	0
Other	7	20

Terms and Servicing

Exhibit 19
CAN HOME EQUITY LINES BE CONVERTED FROM VARIABLE TO FIXED RATE

	1988	1987
Yes	71%	N/A
No	29	N/A

Exhibit 20

SPREAD OVER SELECTED INTEREST RATE INDICES UTILIZED ON VARIABLE RATE HOME EQUITY LOANS

(in basis points)

	1988	1987
Spread Over Prime Rate Index		
Median	190	175
Mean	182	182
Spread Over Treasury Bill Index*		
Median	400	402
Mean	355	419

*Includes all types of Treasury Bills

Terms and Servicing

Exhibit 21

FREQUENCY OF INTEREST RATE ADJUSTMENTS ON VARIABLE RATE HOME EQUITY LOANS

(Percent of Institutions)

	1988	1987
Daily	16%	0%
Monthly	55	61
Quarterly	23	21
Other	6	18

Exhibit 22
INITIAL RATES AND UPWARD ADJUSTMENT CAPS ON VARIABLE RATE HOME EQUITY LOANS

A. Percent of Institutions That Limit Annual Adjustments

	1988	1987
Yes	23%	83%
No	77	17

B. Maximum Lifetime Adjustment

	1988	1987
Median	18.0%	15.0%
Mean	17.5	13.2

C. Interest Rate Cap Set A State's Usury Rate (Percent of Institutions)

	1988	1987
Yes	36%	N/A
No	64%	N/A

Exhibit 23
INTEREST RATE FLOORS ON VARIABLE RATE HOME EQUITY LOANS

A. Median Annual Interest Rate Floors (Percent of Institutions)

	1988	1987
Yes	8%	11%
No	92	89
Median Annual Floor Rate (%)	9.0	9.0

B. Median Lifetime Interest Rate Floor (Percent of Institutions)

	1988	1987
Yes	18%	20%
No	82	80
Median Lifetime Floor Rate (%)	8.95	9.0

Exhibit 24

PERIODIC CREDIT REVIEW PROCESS ON OUTSTANDING HOME EQUITY LOANS

(Percent of Institutions)

	1988	1987
A. Conduct Credit Review		
Yes	71%	71%
No	29	29
B. Frequency of Credit Review		
Monthly	12%	5
Quarterly	5	2
Semi-annually	0	N/A
Yearly	39	38
Biennial	20	2
Triennial	17	35
Every 5 years	5	0
Other	2	18
C. Utilize Account Monitoring System		
Yes	43%	54%
No	57	46
D. Account Monitoring Systems		
Internal Report	0%	N/A
TRW Monthly Signal	38	N/A
Delinquency	10	N/A
Computer Tickler	10	N/A
Collection Department	19	N/A
Other	23	N/A

N/A = Not Available

Exhibit 25
MOST FREQUENTLY USED ACCESS METHODS TO VARIABLE RATE OPEN-END HOME EQUITY LINES OF CREDIT*

	1988	
Type of Access Methods	Most Frequently Used	Median Minimum Transaction Amounts
Credit Card	0%	N/A
Checks	95	$500
Bank Check	0	250
ATM	0	28
Telephone	0	30
Draft Account (Credit Union)	1	5
Overdraft Protection	0	50
Debit Cards	0	175
Personal Withdrawals at Branch	3	175
Other	1	N/A

* Multiple answers allowed

Terms and Servicing

Exhibit 26
PERCENT OF INSTITUTIONS THAT PERMIT INTEREST ONLY PAYMENTS

	1988	1987
Yes	38%	33%
No	62	67

Exhibit 27

DOLLAR AMOUNT OF DELINQUENT OPEN-END HOME EQUITY LINES*

	1988		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$1,233,072	$74,140,949	1.7%

	1987		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$389,576	$64,000,000	.6%

* A delinquent account is one that is over 30 days past due.

Exhibit 28
DOLLAR AMOUNT OF FORECLOSURES ON OPEN-END HOME EQUITY LINES

	1988		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$174,711	$74,140,949	.24%

	1987		
	Dollar Amount Foreclosures*	Average Home Equity Credit	Percent
Mean	$25,127	$64,000,000	.04%

Exhibit 29

DOLLAR AMOUNTS OF CHARGE-OFFS ON OPEN-END HOME EQUITY LINES

A. Gross Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$69,692	$74,140,949	.094%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$3,079	$64,000,000	.005%

B. Net Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$67,468	$74,140,949	.091%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$1,835	$64,000,000	.005%

Exhibit 30
OPEN-END HOME EQUITY LOANS OUTSTANDING WITH DEATH CLAIMS

	1988 Number of Death Claims	1987 Number of Death Claims
Median	2.0	.15
Mean	3.9	1.10

Borrower Profile/Marketing

Exhibit 31
PRIMARY USES FOR HOME EQUITY CREDIT
(Percent of Institutions)

	1988	1987
Debt Consolidation	36%	53%
Home Improvements	25	31
Tax Advantage	0	0
Consumer Purchase	2	6
Cash	3	0
Education	2	0
Investments	2	7
Other	30	3

Exhibit 32
BORROWER CHARACTERISTICS

A. Borrowers Average Age (Percentage of borrowers)

Age	1988	1987
20-34	12%	14%
35-49	51	56
50-64	31	25
65 and over	6	5

B. Other Demographics

	1988		
	Median	Mean	Range
Years in Current Job	8.0	8.8	3 to 15
Years of Home Ownership	10.0	9.9	4 to 20
Number of Dependents (including spouse)	3.0	3.2	1 to 4
Household Income	$42,000	$46,559	$25,000 to $101,712

	1987		
	Median	Mean	Range
Years in Current Job	8	8	3 to 15
Years of Home Ownership	10	10	5 to 15
Number of Dependents (including spouse)	3	3	2 to 5
Household Income	$42,000	$44,831	$23,600 to $99,000

Exhibit 33
BORROWER'S EQUITY IN HOME

	1988		
	Appraisal Value	First Mortgage	Available Equity
Median	$100,000	$35,000	$65,000
Mean	131,139	44,716	86,423

	1987		
	Appraisal Value	First Mortgage	Available Equity
Median	$ 90,068	$30,583	$59,485
Mean	120,387	37,848	82,539

Exhibit 34
INCREASE IN CURRENT LINE

A. Percent of Institutions Permitting Increase In Current Line

	1988	1987
Yes	94%	89%
No	6	11

B. Percent of Institutions Charging Additional Fees For Current Line

	1988	1987
Yes	73%	80%
No	27	20

C. Number of Increases in Current Line

	1988	1987
Median	11	N/A
Mean	99	N/A

D. Dollar Increase in Current Line

	1988	1987
Median	$15,000	N/A
Mean	23,569	N/A

N/A = Not Available

Exhibit 35
IMPORTANCE OF MARKETING MEDIA*

	1988	1987
Newspaper	4.9	4.7
Direct Mail	4.1	4.4
Statement Stuffer	3.7	3.6
Television	1.8	2.4
Magazines	1.5	1.5
Radio	2.5	3.0
Cross Selling	4.6	4.4
Word of Mouth	3.8	3.9
Billboards	2.0	2.3
Brochures	3.7	3.6
Telemarketing	2.7	3.2
Realtor Referrals	1.8	2.2
Construction Co. Ref.	1.3	1.7
Employee Incentive	2.6	3.0
No or Low Closing Costs	4.5	4.5
Low Introductory Rates	3.2	3.4
Other	N/A	N/A

* Scale of 1 to 6 (where 1 is not important and 6 is very important).

N/A=Not Available

Exhibit 36
PRIMARY MARKETING MEDIUM
(Percent of Institutions)

	1988	1987
Newspaper	28%	35%
Direct Mail	25	10
Statement Stuffer	8	2
Television	0	0
Magazines	0	0
Radio	0	2
Cross Selling	8	11
Word of Mouth	5	2
Billboards	0	2
Brochures	0	2
Telemarketing	5	9
Realtor Referrals	0	0
Construction Co. Ref.	0	0
Employee Incentive	0	2
No or Low Closing Costs	14	16
Low Introductory Rates	2	7
Other	5	0

Borrower Profile/Marketing

Exhibit 37
HOME EQUITY LOAN SECONDARY MARKET ACTIVITY
(Percent of Institutions)

A. Buy Loans in the Secondary Market

	1988	1987
Yes	5%	2%
No	95	98

B. Sell Loans in the Secondary Market

	1988	1987
Yes	3%	0%
No	97	100

Exhibit 38
SECURITIZATION OF HOME EQUITY LINES

A. Securitizing Home Equity Lines (Percent of Institutions)

	1988	1987
Yes	12%	N/A
No	88	N/A

B. Institutions Not Currently Securitizing, That Are Planning to Securitize in Coming Year (Percent of Institutions)

	1988	1987
Yes	4%	N/A
No	96	N/A

Exhibit 39
RETURN ON ASSETS AND GROWTH IN ASSETS

A. Return on Assets

	1988	1987
Median	1.2%	N/A
Mean	1.5	N/A

B. Growth in Assets From Year Earlier

	1988	1987
Median	8.1%	N/A
Mean	11.4	N/A

SOUTH ATLANTIC INSTITUTIONS

Exhibit 1
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

A. Total Consumer Credit Outstanding*

	1988		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$314,376,000	$2,236,838,176	14%
Mean	426,455,142	3,702,845,610	12

	1987		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$186,000,000	$ 127,000,000	15%
Mean	361,000,000	2,940,000,000	12

B. Total Delinquent** Consumer Credit*

	1988			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$3,113,155	641	$314,376,000	1%
Mean	6,532,214	2,873	426,455,142	1.5

	1987			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$2,012,944	N/A	$186,000,000	1.1%
Mean	3,793,153	N/A	361,000,000	1.1

* Excludes unsecured credit cards.
** Past due by more than 30 days.

Exhibit 1 (continued)
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

C. Consumer Credit* Charged Off

	1988			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$1,165,542	238	$314,376,000	.4%
Mean	2,530,848	603	426,455,142	.6

	1987			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$ 970,000	N/A	$186,000,000	.5%
Mean	2,272,383	N/A	361,000,000	.6

* Excludes unsecured credit cards.

Home Equity Loan Activity

Exhibit 2
TOTAL HOME EQUITY CREDIT

	1988	1987
Total Home Equity Credit	$9,089,104,956	$4,160,000,000
Total Consumer Credit	$18,338,000,000	$14,400,000,000
Percent	50%	28.9%

Exhibit 3

OPEN-END HOME EQUITY REVOLVING CREDIT LINES -- APPROVED AND OUTSTANDING

A. Approved Open-End Lines

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	2,658	$ 82,994,502	$31,224
Mean	4,017	133,383,727	33,205

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	1,400	$ 53,300,000	$38,071
Mean	3,354	102,000,000	30,411

B. Outstanding Open-End Lines

1988	Median	Mean
Amount Outstanding	$49,229,343	$75,829,409
Number of Outstanding Lines	2,307	3,471
Average Outstanding Line	$21,339	$21,847

1987	Median	Mean
Amount Outstanding	$31,400,000	$53,000,000
Number of Outstanding Lines	N/A	N/A
Average Outstanding Line	N/A	N/A

Exhibit 4
BEGINNING YEAR OF OPEN-END HOME EQUITY CREDIT LENDING
(Percent of Institutions)

Pre 1981	2%
1981	2
1982	5
1983	26
1984	14
1985	14
1986	23
1987	12
1988	0
1989	2

Home Equity Loan Activity

Exhibit 5
HOME EQUITY OPEN-END LINES OF CREDIT BOOKED

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	623	$20,699,000	$33,225
Mean	1,280	47,527,483	37,131

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	1,476	$29,300,000	$19,851
Mean	2,079	58,000,000	27,898

Exhibit 6
CLOSED-END HOME EQUITY LOANS OUTSTANDING

	1988		
	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	2,104	$35,778,000	$17,005
Mean	4,961	99,575,395	20,072

	1987		
	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	1,246	$24,800,000	$19,904
Mean	3,059	56,600,000	18,503

Home Equity Loan Activity

Exhibit 7
CLOSED-END HOME EQUITY LINES BOOKED IN 1988

	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	537	$15,612,236	$29,073
Mean	1,599	43,397,680	27,141

Exhibit 8
FIXED AND VARIABLE RATE HOME EQUITY LOANS OUTSTANDING

As a percent of total home equity credit:

	1988	1987
Total open-end fixed rate	1%	0%
Total open-end variable rate	99	100%

Home Equity Loan Activity

Exhibit 9
TOTAL HOME EQUITY LINES OF CREDIT -- MINIMUM AND MAXIMUM AMOUNTS

	Minimum Line Amount		Maximum Line Amount	
	1988	1987	1988	1987
Median	$5,000	$5,029	$150,000	$102,333
Mean	7,446	6,612	243,654	206,875

Exhibit 10

UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

A. Percent of Institutions Utilizing a Debt-to-Income Formula

1988	1987
91%	91%

B. Percent of Institutions Utilizing Debt-to-Income Formula on a Gross or Net Basis

	1988	1987
Gross	66%	79%
Net	34	21

C. Percentage Utilized in Gross Debt-to-Income Formula

	1988	1987
Median	36%	36%
Mean	38	37

D. Percentage Utilized in Net Debt-to-Income Formula

	1988	1987
Median	45%	45%
Mean	44	43

E. Percentage of Institutions Using a Firm Formula or a Guideline

	1988	1987
Firm	40%	37%
Guideline	60	63

Exhibit 10 (continued)
UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

F. Percentage of Institutions Utilizing Same Debt-to-Income Formula as for Other Consumer Loans

	1988	1987
Same formula	60%	48%
Different formula	40	52

G. If a Different Formula is Used for Home Equity Credit Than Consumer Loans, is That Formula:

	1988	1987
Higher	23%	27%
Lower	77	73

Application/Approval Process

Exhibit 11
MAXIMUM LOAN-TO-VALUE RATIOS ON OWNER-OCCUPIED HOME EQUITY LOANS

	1988	1987
Median	80%	80%
Mean	81	80

Exhibit 12
METHODS UTILIZED IN APPROVING HOME EQUITY LOAN APPLICATIONS

A. Formal or Informal Scoring Techniques (Percent of Institutions)

	1988	1987
Credit Scoring	0%	0%
Judgment	87	79
Combination	13	21

B. Average Required Processing Time (days)

	1988	1987
Median	19	15
Mean	19	18

C. Percent of Approved Open-End Lines that Close

	1988	1987
Median	95%	93%
Mean	89	88

Exhibit 13
TYPES OF HOME EQUITY LOAN APPRAISAL METHODS
(Percent of Institutions)

	1988	1987
Full Appraisals	64%	62%
"Drive-By" Appraisals	18	20
Tax Assessments	13	15
Other	5	3

Exhibit 14
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

A. Title Insurance Requirement (Percent of Institutions)

	1988	1987
Always	17%	26%
Lines over $15,000	6	N/A
Lines over $25,000	0	2
Lines over $30,000	4	5
Lines over $35,000	2	5
Lines over $40,000	0	0
Lines over $50,000	13	11
Lines over $75,000	0	0
Lines over $100,000	4	2
First Mortgage	4	0
Other	9	11
Not Required	38	38

B. PMI Insurance Requirement (Percent of Institutions)

	1988	1987
Yes	7%	2%
No	93	98

C. Credit Life Insurance Offered (Percent of Institutions)

	1988	1987
Yes	72%	62%
No	28	38

D. Maximum Amount Insured

	1988	1987
Median	$30,000	$32,500
Mean	35,500	35,577

Exhibit 14 (continued)
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

E. Captive Insurance Company (Percent of Institutions)

	1988	1987
Yes	41%	21%
No	59	79

F. Percent of Applicants Taking Credit Life Insurance

	1988	1987
Median	10%	10%
Mean	17	21

Exhibit 15
AVAILABILITY OF NON-OWNER HOME EQUITY LOANS

A. Lend on Non-Owner Occupied Property (Percent of Institutions)

	1988	1987
Yes	41%	42%
No	59	58

B. Charge Higher Interest Rate [owner vs. non-owner] (Percent of Institutions)

	1988	1987
Yes	37%	13%
No	63	87

C. Average Difference in Interest Rate Charged (Basis Points)

	1988	1987
Median	100	N/A
Mean	90	N/A

D. Loan-to-Value Ratio for Non-Owner Occupied Homes

	1988	1987
Median	75%	76%
Mean	74	73

N/A = Not Available

Exhibit 16
AVAILABILITY OF HOME EQUITY LOANS ON CONDOMINIUMS AND CO-OPS
(Percent of Institutions)

A. Home Equity Loans on Condominiums

	1988	1987
Yes	83%	81%
No	17	19

B. Home Equity Loans on Co-ops

	1988	1987
Yes	9%	12%
No	91	88

Terms and Servicing

Exhibit 17
INSTITUTIONS CHARGING FEES ON HOME EQUITY LOANS*

	1988		1987	
	Percent of Institutions	Average Fee	Percent of Institutions	Average Fees
Annual Fees	13%	$ 39	12%	N/A
Application Fees	4	225	14	N/A
Appraisal Fees	77	179	79	N/A
Attorney Fees	30	164	55	N/A
Closing Fees	2	75	24	N/A
Credit Check Fees	8	25	5	N/A
Loan Set-Up Fees	4	125	2	N/A
Mortgage Tax	4	8	36	N/A
Points	4	150	12	N/A
Property Report	8	141	24	N/A
Recording Fees	62	60	71	N/A
Subordination Fees	4	23	10	N/A
Title Insurance	15	207	52	N/A
Title Search Fees	32	122	67	N/A
Unused Commitment Fee	0	N/A	N/A	N/A
Other Fees	6	82	2	N/A

* Multiple answers allowed

Exhibit 18
INTEREST RATE INDEX UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
The Wall Street Journal Prime Rate	60%	34%
A Bank Prime Rate	27	46
30 day Treasury Bill Rate	0	0
90 day Treasury Bill Rate	4	5
6 month Treasury Bill Rate	4	10
52 week Treasury Bill Rate	0	0
Other	5	5

Terms and Servicing

Exhibit 19
CAN HOME EQUITY LINES BE CONVERTED FROM VARIABLE TO FIXED RATE

	1988	1987
Yes	24%	N/A
No	76	N/A

Exhibit 20
SPREAD OVER SELECTED INTEREST RATE INDICES UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(in basis points)

	1988	1987
Spread Over Prime Rate Index		
Median	163	154
Mean	172	169
Spread Over Treasury Bill Index*		
Median	400	400
Mean	405	398

*Includes all types of Treasury Bills

Terms and Servicing

Exhibit 21
FREQUENCY OF INTEREST RATE ADJUSTMENTS ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
Daily	6%	0%
Monthly	66	83
Quarterly	19	12
Other	9	5

Exhibit 22
INITIAL RATES AND UPWARD ADJUSTMENT CAPS ON VARIABLE RATE HOME EQUITY LOANS

A. Percent of Institutions That Limit Annual Adjustments

	1988	1987
Yes	33%	64%
No	67%	36

B. Maximum Lifetime Adjustment

	1988	1987
Median	18.0%	18.0%
Mean	18.3	18.2

C. Interest Rate Cap Set A State's Usury Rate (Percent of Institutions)

	1988	1987
Yes	44%	N/A
No	56%	N/A

Exhibit 23
INTEREST RATE FLOORS ON VARIABLE RATE HOME EQUITY LOANS

A. Median Annual Interest Rate Floors (Percent of Institutions)

	1988	1987
Yes	13%	10%
No	87	90
Median Annual Floor Rate (%)	8.0	9.0

B. Median Lifetime Interest Rate Floor (Percent of Institutions)

	1988	1987
Yes	26%	19%
No	74	81
Median Lifetime Floor Rate (%)	9.0	8.0

Exhibit 24
PERIODIC CREDIT REVIEW PROCESS ON OUTSTANDING HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
A. Conduct Credit Review		
Yes	59%	68%
No	41	32
B. Frequency of Credit Review		
Monthly	8%	7
Quarterly	4	7
Semi-annually	4	7
Yearly	31	39
Biennial	12	18
Triennial	12	7
Every 5 years	12	4
Other	17	11
C. Utilize Account Monitoring System		
Yes	50%	55%
No	50	45
D. Account Monitoring Systems		
Internal Report	9%	N/A
TRW Monthly Signal	9	N/A
Delinquency	27	N/A
Computer Tickler	5	N/A
Collection Department	14	N/A
Other	36	N/A

N/A = Not Available

Exhibit 25
MOST FREQUENTLY USED ACCESS METHODS TO VARIABLE RATE OPEN-END HOME EQUITY LINES OF CREDIT*

Type of Access Methods	1988 Most Frequently Used	 Median Minimum Transaction Amounts
Credit Card	0%	$200
Checks	83	200
Bank Check	2	100
ATM	0	55
Telephone	2	20
Draft Account (Credit Union)	0	N/A
Overdraft Protection	2	100
Debit Cards	0	N/A
Personal Withdrawals at Branch	0	250
Other	11	500

* Multiple answers allowed

Terms and Servicing

Exhibit 26
PERCENT OF INSTITUTIONS THAT PERMIT INTEREST ONLY PAYMENTS

	1988	1987
Yes	39%	31%
No	61	69

Exhibit 27

DOLLAR AMOUNT OF DELINQUENT OPEN-END HOME EQUITY LINES*

	1988		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$595,877	$75,829,409	.8%

	1987		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$252,052	$53,000,000	.5%

* A delinquent account is one that is over 30 days past due.

Exhibit 28
DOLLAR AMOUNT OF FORECLOSURES ON OPEN-END HOME EQUITY LINES

	1988		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$208,787	$75,829,409	.3%

	1987		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$7,344	$53,000,000	.01%

Exhibit 29
DOLLAR AMOUNTS OF CHARGE-OFFS ON OPEN-END HOME EQUITY LINES

A. Gross Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$68,246	$75,829,409	.09%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$1,153	$53,000,000	.002%

B. Net Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$75,829	$75,829,409	.1%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$795	$53,000,000	.0015%

Exhibit 30
OPEN-END HOME EQUITY LOANS OUTSTANDING WITH DEATH CLAIMS

	1988 Number of Death Claims	1987 Number of Death Claims
Median	4.0	.136
Mean	6.6	1.300

Borrower Profile/Marketing

Exhibit 31
PRIMARY USES FOR HOME EQUITY CREDIT
(Percent of Institutions)

	1988	1987
Debt Consolidation	40%	50%
Home Improvements	15	32
Tax Advantage	6	0
Consumer Purchase	2	3
Cash	4	0
Education	0	0
Investments	0	3
Other	32	12

Exhibit 32
BORROWER CHARACTERISTICS

A. Borrowers Average Age (Percentage of borrowers)

Age	1988	1987
20-34	13%	13%
35-49	50	53
50-64	30	28
65 and over	7	7

B. Other Demographics

	1988		
	Median	Mean	Range
Years in Current Job	9.0	8.8	2 to 15
Years of Home Ownership	9.0	9.1	4 to 15
Number of Dependents (including spouse)	3.0	2.8	1 to 4
Household Income	$50,000	$52,655	$25,000 to $83,300

	1987		
	Median	Mean	Range
Years in Current Job	9	9	3 to 19
Years of Home Ownership	8	8	3 to 15
Number of Dependents (including spouse)	3	3	2 to 5
Household Income	$46,000	$47,872	$25,000 to $89,000

Exhibit 33
BORROWER'S EQUITY IN HOME

		1988	
	Appraisal Value	First Mortgage	Available Equity
Median	$100,000	$42,500	$57,500
Mean	114,394	70,587	43,807

		1987	
	Appraisal Value	First Mortgage	Available Equity
Median	$ 88,000	$35,400	$52,600
Mean	102,879	40,983	61,896

Exhibit 34
INCREASE IN CURRENT LINE

A. Percent of Institutions Permitting Increase In Current Line

	1988	1987
Yes	87%	82%
No	13	18

B. Percent of Institutions Charging Additional Fees For Current Line

	1988	1987
Yes	88%	97%
No	12	3

C. Number of Increases in Current Line

	1988	1987
Median	52	N/A
Mean	135	N/A

D. Dollar Increase in Current Line

	1988	1987
Median	$18,000	N/A
Mean	18,476	N/A

N/A = Not Available

Exhibit 35
IMPORTANCE OF MARKETING MEDIA*

	1988	1987
Newspaper	3.8	3.7
Direct Mail	3.6	4.3
Statement Stuffer	3.4	3.6
Television	1.9	1.9
Magazines	1.3	1.8
Radio	2.9	2.6
Cross Selling	4.6	4.7
Word of Mouth	4.1	4.3
Billboards	1.7	1.8
Brochures	3.5	3.5
Telemarketing	3.5	2.8
Realtor Referrals	2.1	1.8
Construction Co. Ref.	1.6	1.6
Employee Incentive	3.4	2.8
No or Low Closing Costs	4.5	4.4
Low Introductory Rates	3.0	2.2
Other	1.1	3.0

* Scale of 1 to 6 (where 1 is not important and 6 is very important).
N/A=Not Available

Exhibit 36
PRIMARY MARKETING MEDIUM
(Percent of Institutions)

	1988	1987
Newspaper	15%	21%
Direct Mail	6	24
Statement Stuffer	2	0
Television	2	5
Magazines	0	0
Radio	0	2
Cross Selling	11	17
Word of Mouth	2	5
Billboards	0	0
Brochures	2	0
Telemarketing	4	0
Realtor Referrals	0	2
Construction Co. Ref.	0	0
Employee Incentive	6	2
No or Low Closing Costs	32	22
Low Introductory Rates	0	0
Other	18	0

Exhibit 37
HOME EQUITY LOAN SECONDARY MARKET ACTIVITY
(Percent of Institutions)

A. Buy Loans in the Secondary Market

	1988	1987
Yes	4%	0%
No	96	100

B. Sell Loans in the Secondary Market

	1988	1987
Yes	2%	2%
No	98	98

Exhibit 38
SECURITIZATION OF HOME EQUITY LINES

A. Securitizing Home Equity Lines (Percent of Institutions)

	1988	1987
Yes	4%	N/A
No	96	N/A

B. Institutions Not Currently Securitizing, That Are Planning to Securitize in Coming Year (Percent of Institutions)

	1988	1987
Yes	8%	N/A
No	92	N/A

Exhibit 39
RETURN ON ASSETS AND GROWTH IN ASSETS

A. Return on Assets

	1988	1987
Median	1.02%	N/A
Mean	.92	N/A

B. Growth in Assets From Year Earlier

	1988	1987
Median	7.8%	N/A
Mean	7.6	N/A

SOUTH CENTRAL
INSTITUTIONS

Exhibit 1
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

A. Total Consumer Credit Outstanding*

	1988		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$ 71,308,394	$ 310,792,500	23%
Mean	163,913,320	1,498,045,530	11

	1987		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$106,000,000	$ 715,000,000	15%
Mean	114,000,000	1,070,000,000	11

B. Total Delinquent** Consumer Credit*

	1988			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$ 622,837	154	$ 71,308,394	.9%
Mean	3,386,846	443	163,913,320	2.1

	1987			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$ 995,380	N/A	$106,000,000	1.0%
Mean	19,800,000	N/A	114,000,000	17.4

* Excludes unsecured credit cards.
** Past due by more than 30 days.

Exhibit 1 (continued)
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

C. Consumer Credit* Charged Off

	1988			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$ 278,265	72	$ 71,308,394	.4%
Mean	1,705,480	199	163,913,320	1.0

	1987			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$ 410,924	N/A	$106,000,000	.4%
Mean	1,217,505	N/A	114,000,000	1.0

* Excludes unsecured credit cards.

Home Equity Loan Activity

Exhibit 2
TOTAL HOME EQUITY CREDIT

	1988	1987
Total Home Equity Credit	$1,033,869,932	$330,000,000
Total Consumer Credit	$2,950,439,865	$1,720,000,000
Percent	35%	19.2%

Exhibit 3
OPEN-END HOME EQUITY REVOLVING CREDIT LINES -- APPROVED AND OUTSTANDING

A. Approved Open-End Lines

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	563	$10,218,823	$18,151
Mean	1,522	37,651,646	24,738

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	356	$11,300,000	$31,742
Mean	616	22,000,000	35,714

B. Outstanding Open-End Lines

1988	Median	Mean
Amount Outstanding	$7,626,237	$22,648,734
Number of Outstanding Lines	459	1,392
Average Outstanding Line	$16,615	$16,271
1987		
Amount Outstanding	$7,423,000	$11,100,000
Number of Outstanding Lines	N/A	N/A
Average Outstanding Line	N/A	N/A

Exhibit 4
BEGINNING YEAR OF OPEN-END HOME EQUITY CREDIT LENDING
(Percent of Institutions)

Pre 1981	0%
1981	0
1982	0
1983	11
1984	17
1985	17
1986	28
1987	22
1988	5
1989	0

Home Equity Loan Activity

Exhibit 5
HOME EQUITY OPEN-END LINES OF CREDIT BOOKED

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	75	$1,965,430	$26,206
Mean	362	7,940,770	21,936

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	217	$ 5,737,936	$26,442
Mean	464	15,500,000	33,405

Exhibit 6
CLOSED-END HOME EQUITY LOANS OUTSTANDING

	1988		
	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	1,214	$11,652,000	$ 9,598
Mean	2,760	61,634,800	22,331

	1987		
	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	348	$ 9,154,985	$26,308
Mean	464	19,800,000	42,672

Home Equity Loan Activity

Exhibit 7
CLOSED-END HOME EQUITY LINES BOOKED IN 1988

	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	87	$ 2,823,827	$32,458
Mean	264	16,546,541	62,676

Exhibit 8
FIXED AND VARIABLE RATE HOME EQUITY LOANS OUTSTANDING

As a percent of total home equity credit:

	1988	1987
Total open-end fixed rate	0%	0%
Total open-end variable rate	100	100%

Home Equity Loan Activity

Exhibit 9
TOTAL HOME EQUITY LINES OF CREDIT -- MINIMUM AND MAXIMUM AMOUNTS

	Minimum Line Amount		Maximum Line Amount	
	1988	1987	1988	1987
Median	$5,000	$5,625	$100,000	$100,125
Mean	5,500	6,833	250,000	306,545

Exhibit 10

UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

A. Percent of Institutions Utilizing a Debt-to-Income Formula

1988	1987
82%	82%

B. Percent of Institutions Utilizing Debt-to-Income Formula on a Gross or Net Basis

	1988	1987
Gross	67%	79%
Net	33	21

C. Percentage Utilized in Gross Debt-to-Income Formula

	1988	1987
Median	36%	36%
Mean	36	36

D. Percentage Utilized in Net Debt-to-Income Formula

	1988	1987
Median	40%	42%
Mean	38	43

E. Percentage of Institutions Using a Firm Formula or a Guideline

	1988	1987
Firm	24%	43%
Guideline	71	57

Exhibit 10 (continued)
UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

F. Percentage of Institutions Utilizing Same Debt-to-Income Formula as for Other Consumer Loans

	1988	1987
Same formula	64%	53%
Different formula	36	47

G. If a Different Formula is Used for Home Equity Credit Than Consumer Loans, is That Formula:

	1988	1987
Higher	25%	25%
Lower	75	75

Application/Approval Process

Exhibit 11
MAXIMUM LOAN-TO-VALUE RATIOS ON OWNER-OCCUPIED HOME EQUITY LOANS

	1988	1987
Median	80%	77%
Mean	78	77

Exhibit 12
METHODS UTILIZED IN APPROVING HOME EQUITY LOAN APPLICATIONS

A. Formal or Informal Scoring Techniques (Percent of Institutions)

	1988	1987
Credit Scoring	6%	0%
Judgment	76	81
Combination	18	19

B. Average Required Processing Time (days)

	1988	1987
Median	10	10
Mean	12	18

C. Percent of Approved Open-End Lines that Close

	1988	1987
Median	98%	98%
Mean	91	95

Application/Approval Process

Exhibit 13
TYPES OF HOME EQUITY LOAN APPRAISAL METHODS
(Percent of Institutions)

	1988	1987
Full Appraisals	65%	74%
"Drive-By" Appraisals	20	14
Tax Assessments	14	12
Other	1	0

Exhibit 14
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

A. Title Insurance Requirement (Percent of Institutions)

	1988	1987
Always	50%	38%
Lines over $15,000	0	N/A
Lines over $25,000	0	0
Lines over $30,000	0	0
Lines over $35,000	0	0
Lines over $40,000	0	0
Lines over $50,000	0	0
Lines over $75,000	0	0
Lines over $100,000	0	6
First Mortgage	0	0
Other	21	N/A
Not Required	29	56

B. PMI Insurance Requirement (Percent of Institutions)

	1988	1987
Yes	12%	19%
No	88	81

C. Credit Life Insurance Offered (Percent of Institutions)

	1988	1987
Yes	65%	56%
No	35	44

D. Maximum Amount Insured

	1988	1987
Median	$40,000	$29,167
Mean	41,111	31,350

Exhibit 14 (continued)
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

E. Captive Insurance Company (Percent of Institutions)

	1988	1987
Yes	33%	18%
No	67	82

F. Percent of Applicants Taking Credit Life Insurance

	1988	1987
Median	17%	10%
Mean	17	14

Exhibit 15
AVAILABILITY OF NON-OWNER HOME EQUITY LOANS

A. Lend on Non-Owner Occupied Property (Percent of Institutions)

	1988	1987
Yes	29%	38%
No	71	62

B. Charge Higher Interest Rate [owner vs. non-owner] (Percent of Institutions)

	1988	1987
Yes	20%	17%
No	80	83

C. Average Difference in Interest Rate Charged (Basis Points)

	1988	1987
Median	N/A	N/A
Mean	N/A	N/A

D. Loan-to-Value Ratio for Non-Owner Occupied Homes

	1988	1987
Median	75%	66%
Mean	76	67

N/A = Not Available

Exhibit 16
AVAILABILITY OF HOME EQUITY LOANS ON CONDOMINIUMS AND CO-OPS
(Percent of Institutions)

A. Home Equity Loans on Condominiums

	1988	1987
Yes	69%	56%
No	31	44

B. Home Equity Loans on Co-ops

	1988	1987
Yes	13%	6%
No	87	94

Terms and Servicing

Exhibit 17
INSTITUTIONS CHARGING FEES ON HOME EQUITY LOANS*

	1988		1987	
	Percent of Institutions	Average Fee	Percent of Institutions	Average Fees
Annual Fees	33%	$ 27	41%	N/A
Application Fees	6	25	6	N/A
Appraisal Fees	72	149	77	N/A
Attorney Fees	22	175	47	N/A
Closing Fees	6	50	12	N/A
Credit Check Fees	6	28	6	N/A
Loan Set-Up Fees	0	N/A	0	N/A
Mortgage Tax	0	N/A	6	N/A
Points	11	148	0	N/A
Property Report	0	N/A	0	N/A
Recording Fees	72	31	82	N/A
Subordination Fees	0	N/A	18	N/A
Title Insurance	23	250	41	N/A
Title Search Fees	17	70	53	N/A
Unused Commitment Fee	0	N/A	N/A	N/A
Other Fees	11	18	0	N/A

* Multiple answers allowed

Exhibit 18
INTEREST RATE INDEX UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
The Wall Street Journal Prime Rate	0%	25%
A Bank Prime Rate	72	44
30 day Treasury Bill Rate	0	0
90 day Treasury Bill Rate	6	0
6 month Treasury Bill Rate	11	19
52 week Treasury Bill Rate	0	0
Other	11	12

Terms and Servicing

Exhibit 19
CAN HOME EQUITY LINES BE CONVERTED FROM VARIABLE TO FIXED RATE

	1988	1987
Yes	29%	N/A
No	71	N/A

Exhibit 20
SPREAD OVER SELECTED INTEREST RATE INDICES UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(in basis points)

	1988	1987
Spread Over Prime Rate Index		
Median	150	191
Mean	175	189
Spread Over Treasury Bill Index*		
Median	450	400
Mean	417	400

*Includes all types of Treasury Bills

Terms and Servicing

Exhibit 21
FREQUENCY OF INTEREST RATE ADJUSTMENTS ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
Daily	17%	0%
Monthly	67	69
Quarterly	11	25
Other	5	6

Exhibit 22
INITIAL RATES AND UPWARD ADJUSTMENT CAPS ON VARIABLE RATE HOME EQUITY LOANS

A. Percent of Institutions That Limit Annual Adjustments

	1988	1987
Yes	33%	59%
No	67	41

B. Maximum Lifetime Adjustment

	1988	1987
Median	21.0%	17.0%
Mean	18.9	14.3

C. Interest Rate Cap Set A State's Usury Rate (Percent of Institutions)

	1988	1987
Yes	65%	N/A
No	35%	N/A

Exhibit 23
INTEREST RATE FLOORS ON VARIABLE RATE HOME EQUITY LOANS

A. Median Annual Interest Rate Floors (Percent of Institutions)

	1988	1987
Yes	✓18%	18%
No	82	82
Median Annual Floor Rate (%)	8.0	8.0

B. Median Lifetime Interest Rate Floor (Percent of Institutions)

	1988	1987
Yes	12%	29%
No	88	71
Median Lifetime Floor Rate (%)	7.0	8.0

Exhibit 24
PERIODIC CREDIT REVIEW PROCESS ON OUTSTANDING HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
A. Conduct Credit Review		
Yes	89%	69%
No	11	31
B. Frequency of Credit Review		
Monthly	0%	11%
Quarterly	0	0
Semi-annually	6	11
Yearly	56	45
Biennial	17	11
Triennial	0	11
Every 5 years	0	0
Other	21	11
C. Utilize Account Monitoring System		
Yes	56%	50%
No	44	50
D. Account Monitoring Systems		
Internal Report	6%	N/A
TRW Monthly Signal	6	N/A
Delinquency	17	N/A
Computer Tickler	6	N/A
Collection Department	6	N/A
Other	59	N/A

N/A = Not Available

Exhibit 25
MOST FREQUENTLY USED ACCESS METHODS TO VARIABLE RATE OPEN-END HOME EQUITY LINES OF CREDIT*

	1988	
Type of Access Methods	Most Frequently Used	Median Minimum Transaction Amounts
Credit Card	0%	$N/A
Checks	72	100
Bank Check	0	100
ATM	0	100
Telephone	0	10
Draft Account (Credit Union)	0	N/A
Overdraft Protection	0	N/A
Debit Cards	0	N/A
Personal Withdrawals at Branch	0	100
Other	28	N/A

* Multiple answers allowed

Terms and Servicing

Exhibit 26
PERCENT OF INSTITUTIONS THAT PERMIT INTEREST ONLY PAYMENTS

	1988	1987
Yes	12%	24%
No	88	76

Exhibit 27
DOLLAR AMOUNT OF DELINQUENT OPEN-END HOME EQUITY LINES*

	1988		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$379,118	$22,648,734	1.7%

	1987		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$41,711	$11,100,000	.4%

* A delinquent account is one that is over 30 days past due.

Exhibit 28
DOLLAR AMOUNT OF FORECLOSURES ON OPEN-END HOME EQUITY LINES

	1988		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$55,000	$22,648,734	.2%

	1987		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$12,912	$11,100,000	0%

Exhibit 29
DOLLAR AMOUNTS OF CHARGE-OFFS ON OPEN-END HOME EQUITY LINES

A. Gross Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$43,033	$22,648,734	.19%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$1,082	$11,100,000	0%

B. Net Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$19,251	$22,648,734	.09%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	N/A	$11,100,000	N/A

Exhibit 30
OPEN-END HOME EQUITY LOANS OUTSTANDING WITH DEATH CLAIMS

	1988 Number of Death Claims	1987 Number of Death Claims
Median	2.0	.125
Mean	2.0	.235

Borrower Profile/Marketing

Exhibit 31
PRIMARY USES FOR HOME EQUITY CREDIT
(Percent of Institutions)

	1988	1987
Debt Consolidation	39%	29%
Home Improvements	28	29
Tax Advantage	0	0
Consumer Purchase	11	6
Cash	6	0
Education	0	0
Investments	0	6
Other	16	30

Exhibit 32
BORROWER CHARACTERISTICS

A. Borrowers Average Age (Percentage of borrowers)

Age	1988	1987
20-34	14%	9%
35-49	53	61
50-64	29	27
65 and over	4	3

B. Other Demographics

	1988		
	Median	Mean	Range
Years in Current Job	9.0	8.9	5 to 15
Years of Home Ownership	10.0	11.7	4 to 45
Number of Dependents (including spouse)	3.0	2.7	1 to 4
Household Income	$40,935	$40,567	$22,000 to $50,000

	1987		
	Median	Mean	Range
Years in Current Job	10.25	11.10	7 to 17
Years of Home Ownership	10.25	11.33	7 to 20
Number of Dependents (including spouse)	2.67	2.67	1 to 4
Household Income	$40,080	$42,153	$30,000 to $53,000

Exhibit 33
BORROWER'S EQUITY IN HOME

	1988		
	Appraisal Value	First Mortgage	Available Equity
Median	$75,000	$40,000	$35,000
Mean	79,227	40,175	39,052

	1987		
	Appraisal Value	First Mortgage	Available Equity
Median	$70,262	$25,500	$44,762
Mean	78,362	37,125	41,237

Exhibit 34
INCREASE IN CURRENT LINE

A. Percent of Institutions Permitting Increase In Current Line

	1988	1987
Yes	89%	82%
No	11	18

B. Percent of Institutions Charging Additional Fees For Current Line

	1988	1987
Yes	88%	93%
No	12	7

C. Number of Increases in Current Line

	1988	1987
Median	20%	N/A
Mean	39	N/A

D. Dollar Increase in Current Line

	1988	1987
Median	$10,000	N/A
Mean	10,000	N/A

N/A = Not Available

Exhibit 35
IMPORTANCE OF MARKETING MEDIA*

	1988	1987
Newspaper	4.7	4.7
Direct Mail	4.5	4.2
Statement Stuffer	3.6	3.7
Television	2.7	4.0
Magazines	2.4	2.0
Radio	3.3	3.4
Cross Selling	4.4	4.0
Word of Mouth	3.5	3.9
Billboards	2.6	2.6
Brochures	3.3	3.4
Telemarketing	3.2	3.0
Realtor Referrals	2.4	2.2
Construction Co. Ref.	2.2	2.2
Employee Incentive	3.6	2.7
No or Low Closing Costs	4.1	4.6
Low Introductory Rates	2.3	2.8
Other	1.5	3.0

* Scale of 1 to 6 (where 1 is not important and 6 is very important).

N/A=Not Available

Exhibit 36
PRIMARY MARKETING MEDIUM
(Percent of Institutions)

	1988	1987
Newspaper	17%	35%
Direct Mail	22	6
Statement Stuffer	6	0
Television	6	0
Magazines	0	0
Radio	0	6
Cross Selling	6	12
Word of Mouth	17	12
Billboards	0	0
Brochures	0	6
Telemarketing	6	0
Realtor Referrals	0	0
Construction Co. Ref.	0	0
Employee Incentive	0	0
No or Low Closing Costs	11	23
Low Introductory Rates	0	0
Other	9	0

Borrower Profile/Marketing

Exhibit 37
HOME EQUITY LOAN SECONDARY MARKET ACTIVITY
(Percent of Institutions)

A. Buy Loans in the Secondary Market

	1988	1987
Yes	0%	0%
No	100	100

B. Sell Loans in the Secondary Market

	1988	1987
Yes	0%	0%
No	100	100

Exhibit 38
SECURITIZATION OF HOME EQUITY LINES

A. Securitizing Home Equity Lines (Percent of Institutions)

	1988	1987
Yes	12%	N/A
No	88	N/A

B. Institutions Not Currently Securitizing, That Are Planning to Securitize in Coming Year (Percent of Institutions)

	1988	1987
Yes	12%	N/A
No	88	N/A

Exhibit 39
RETURN ON ASSETS AND GROWTH IN ASSETS

A. Return on Assets

	1988	1987
Median	1.0%	N/A
Mean	1.4	N/A

B. Growth in Assets From Year Earlier

	1988	1987
Median	6.7%	N/A
Mean	9.1	N/A

EAST NORTH CENTRAL INSTITUTIONS

Exhibit 1

CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

A. Total Consumer Credit Outstanding*

	1988		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$107,995,000	$ 516,755,516	21%
Mean	214,011,951	1,516,118,641	14

	1987		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$ 71,800,000	$ 408,000,000	17%
Mean	216,000,000	1,600,000,000	14

B. Total Delinquent** Consumer Credit*

	1988			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$1,369,829	299	$107,995,000	1.3%
Mean	4,414,924	2,339	214,011,951	2.1

	1987			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$1,214,330	N/A	$ 71,300,000	1.7%
Mean	4,149,959	N/A	216,000,000	1.9

* Excludes unsecured credit cards.
** Past due by more than 30 days.

Exhibit 1 (continued)
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

C. Consumer Credit* Charged Off

	1988			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$322,842	190	$107,995,000	.3%
Mean	1,378,306	523	214,011,951	.6

	1987			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$ 174,058	N/A	$ 71,300,000	.2%
Mean	1,351,470	N/A	216,000,000	.6

* Excludes unsecured credit cards.

Home Equity Loan Activity

Exhibit 2
TOTAL HOME EQUITY CREDIT

	1988	1987
Total Home Equity Credit	$2,177,551,880	$1,270,000,000
Total Consumer Credit	$10,915,000,000	$13,400,000,000
Percent	20%	9.5%

Exhibit 3
OPEN-END HOME EQUITY REVOLVING CREDIT LINES -- APPROVED AND OUTSTANDING

A. Approved Open-End Lines

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	572	$13,785,400	$24,100
Mean	1,588	41,084,996	25,872

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	363	$ 6,680,150	$18,402
Mean	1,002	21,900,000	21,856

B. Outstanding Open-End Lines

1988	Median	Mean
Amount Outstanding	$7,645,595	$21,220,075
Number of Outstanding Lines	465	1,220
Average Outstanding Line	$16,442	$17,394
1987		
Amount Outstanding	$4,000,000	$11,900,000
Number of Outstanding Lines	N/A	N/A
Average Outstanding Line	N/A	N/A

Exhibit 4
BEGINNING YEAR OF OPEN-END HOME EQUITY CREDIT LENDING
(Percent of Institutions)

Pre 1981	2%
1981	0
1982	0
1983	16
1984	20
1985	12
1986	28
1987	22
1988	0
1989	0

Exhibit 5
HOME EQUITY OPEN-END LINES OF CREDIT BOOKED

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	164	$3,805,700	$23,205
Mean	423	9,718,520	22,975

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	241	$ 5,640,350	$23,404
Mean	604	14,600,000	24,172

Exhibit 6
CLOSED-END HOME EQUITY LOANS OUTSTANDING

	1988		
	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	542	$ 5,878,169	$10,845
Mean	1,308	15,734,350	12,029

	1987		
	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	298	$3,353,716	$11,254
Mean	622	7,854,045	12,627

Home Equity Loan Activity

Exhibit 7
CLOSED-END HOME EQUITY LINES BOOKED IN 1988

	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	219	$3,185,015	$14,543
Mean	502	8,073,603	16,083

Exhibit 8
FIXED AND VARIABLE RATE HOME EQUITY LOANS OUTSTANDING

As a percent of total home equity credit:

	1988	1987
Total open-end fixed rate	2%	3%
Total open-end variable rate	98	97%

Home Equity Loan Activity

Exhibit 9
TOTAL HOME EQUITY LINES OF CREDIT -- MINIMUM AND MAXIMUM AMOUNTS

	Minimum Line Amount		Maximum Line Amount	
	1988	1987	1988	1987
Median	$5,000	$5,000	$ 100,000	$100,000
Mean	6,622	7,315	135,615	430,257

Exhibit 10
UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

A. Percent of Institutions Utilizing a Debt-to-Income Formula

1988	1987
96%	95%

B. Percent of Institutions Utilizing Debt-to-Income Formula on a Gross or Net Basis

	1988	1987
Gross	69%	67%
Net	31	33

C. Percentage Utilized in Gross Debt-to-Income Formula

	1988	1987
Median	36%	37%
Mean	37	38

D. Percentage Utilized in Net Debt-to-Income Formula

	1988	1987
Median	40%	40%
Mean	42	41

E. Percentage of Institutions Using a Firm Formula or a Guideline

	1988	1987
Firm	37%	34%
Guideline	63	66

Exhibit 10 (continued)
UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

F. Percentage of Institutions Utilizing Same Debt-to-Income Formula as for Other Consumer Loans

	1988	1987
Same formula	73%	63%
Different formula	27	37

G. If a Different Formula is Used for Home Equity Credit Than Consumer Loans, is That Formula:

	1988	1987
Higher	55%	41%
Lower	45	59

Application/Approval Process

Exhibit 11
MAXIMUM LOAN-TO-VALUE RATIOS ON OWNER-OCCUPIED HOME EQUITY LOANS

	1988	1987
Median	75%	76%
Mean	76	76

Exhibit 12
METHODS UTILIZED IN APPROVING HOME EQUITY LOAN APPLICATIONS

A. Formal or Informal Scoring Techniques (Percent of Institutions)

	1988	1987
Credit Scoring	0%	3%
Judgment	80	80
Combination	20	17

B. Average Required Processing Time (days)

	1988	1987
Median	14	14
Mean	13	16

C. Percent of Approved Open-End Lines that Close

	1988	1987
Median	95%	95%
Mean	94	90

Application/Approval Process

Exhibit 13
TYPES OF HOME EQUITY LOAN APPRAISAL METHODS
(Percent of Institutions)

	1988	1987
Full Appraisals	70%	66%
"Drive-By" Appraisals	13	23
Tax Assessments	13	7
Other	4	4

Exhibit 14
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

A. Title Insurance Requirement (Percent of Institutions)

	1988	1987
Always	32%	30%
Lines over $15,000	4	N/A
Lines over $25,000	2	9
Lines over $30,000	4	3
Lines over $35,000	0	0
Lines over $40,000	0	12
Lines over $50,000	15	0
Lines over $75,000	0	0
Lines over $100,000	0	0
First Mortgage	0	0
Other	13	3
Not Required	30	43

B. PMI Insurance Requirement (Percent of Institutions)

	1988	1987
Yes	4%	4%
No	96	96

C. Credit Life Insurance Offered (Percent of Institutions)

	1988	1987
Yes	47%	57%
No	53	43

D. Maximum Amount Insured

	1988	1987
Median	$50,000	$50,000
Mean	53,696	52,759

Exhibit 14 (continued)
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

E. Captive Insurance Company (Percent of Institutions)

	1988	1987
Yes	30%	19%
No	70	81

F. Percent of Applicants Taking Credit Life Insurance

	1988	1987
Median	12%	10%
Mean	15	20

Exhibit 15
AVAILABILITY OF NON-OWNER HOME EQUITY LOANS

A. Lend on Non-Owner Occupied Property (Percent of Institutions)

	1988	1987
Yes	23%	22%
No	77	78

B. Charge Higher Interest Rate [owner vs. non-owner] (Percent of Institutions)

	1988	1987
Yes	0%	20%
No	100	80

C. Average Difference in Interest Rate Charged (Basis Points)

	1988	1987
Median	150	N/A
Mean	150	N/A

D. Loan-to-Value Ratio for Non-Owner Occupied Homes

	1988	1987
Median	75%	72%
Mean	74	72

N/A = Not Available

Exhibit 16
AVAILABILITY OF HOME EQUITY LOANS ON CONDOMINIUMS AND CO-OPS
(Percent of Institutions)

A. Home Equity Loans on Condominiums

	1988	1987
Yes	83%	82%
No	17	18

B. Home Equity Loans on Co-ops

	1988	1987
Yes	10%	8%
No	90	92

Terms and Servicing

Exhibit 17
INSTITUTIONS CHARGING FEES ON HOME EQUITY LOANS*

	1988		1987	
	Percent of Institutions	Average Fee	Percent of Institutions	Average Fees
Annual Fees	58%	$31	61%	N/A
Application Fees	23	71	36	N/A
Appraisal Fees	74	123	92	N/A
Attorney Fees	9	50	18	N/A
Closing Fees	6	173	21	N/A
Credit Check Fees	2	5	11	N/A
Loan Set-Up Fees	8	73	3	N/A
Mortgage Tax	0	N/A	0	N/A
Points	0	N/A	3	N/A
Property Report	11	72	26	N/A
Recording Fees	68	12	86	N/A
Subordination Fees	0	N/A	5	N/A
Title Insurance	34	188	57	N/A
Title Search Fees	40	80	66	N/A
Unused Commitment Fee	0	N/A	N/A	N/A
Other Fees	14	15	2	N/A

* Multiple answers allowed

Exhibit 18
INTEREST RATE INDEX UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
The Wall Street Journal Prime Rate	51%	46%
A Bank Prime Rate	23	39
30 day Treasury Bill Rate	0	0
90 day Treasury Bill Rate	4	7
6 month Treasury Bill Rate	6	0
52 week Treasury Bill Rate	0	0
Other	16	8

Exhibit 19
CAN HOME EQUITY LINES BE CONVERTED FROM VARIABLE TO FIXED RATE

	1988	1987
Yes	24%	N/A
No	76	N/A

Exhibit 20

SPREAD OVER SELECTED INTEREST RATE INDICES UTILIZED ON VARIABLE RATE HOME EQUITY LOANS

(in basis points)

	1988	1987
Spread Over Prime Rate Index		
Median	200	191
Mean	176	180
Spread Over Treasury Bill Index*		
Median	400	425
Mean	413	430

*Includes all types of Treasury Bills

Terms and Servicing

Exhibit 21

FREQUENCY OF INTEREST RATE ADJUSTMENTS ON VARIABLE RATE HOME EQUITY LOANS

(Percent of Institutions)

	1988	1987
Daily	8%	5%
Monthly	70	75
Quarterly	13	10
Other	9	10

Exhibit 22
INITIAL RATES AND UPWARD ADJUSTMENT CAPS ON VARIABLE RATE HOME EQUITY LOANS

A. Percent of Institutions That Limit Annual Adjustments

	1988	1987
Yes	32%	61%
No	68	39

B. Maximum Lifetime Adjustment

	1988	1987
Median	19.3%	18.2%
Mean	20.5	16.7

C. Interest Rate Cap Set A State's Usury Rate (Percent of Institutions)

	1988	1987
Yes	67%	N/A
No	33	N/A

Exhibit 23
INTEREST RATE FLOORS ON VARIABLE RATE HOME EQUITY LOANS

A. Median Annual Interest Rate Floors (Percent of Institutions)

	1988	1987
Yes	19%	13%
No	81	87
Median Annual Floor Rate (%)	6.5	6.4

B. Median Lifetime Interest Rate Floor (Percent of Institutions)

	1988	1987
Yes	35%	28%
No	65	72
Median Lifetime Floor Rate (%)	8.0	8.2

Exhibit 24
PERIODIC CREDIT REVIEW PROCESS ON OUTSTANDING HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
A. Conduct Credit Review		
Yes	81%	75%
No	19	25
B. Frequency of Credit Review		
Monthly	5%	N/A
Quarterly	2	0
Semi-annually	5	N/A
Yearly	34	32
Biennial	17	16
Triennial	27	10
Every 5 years	2	3
Other	8	39
C. Utilize Account Monitoring System		
Yes	54%	53%
No	46	47
D. Account Monitoring Systems		
Internal Report	33%	N/A
TRW Monthly Signal	11	N/A
Delinquency	15	N/A
Computer Tickler	11	N/A
Collection Department	11	N/A
Other	19	N/A

N/A = Not Available

Exhibit 25
MOST FREQUENTLY USED ACCESS METHODS TO VARIABLE RATE OPEN-END HOME EQUITY LINES OF CREDIT*

Type of Access Methods	1988 Most Frequently Used	1988 Median Minimum Transaction Amounts
Credit Card	0%	$500
Checks	85	250
Bank Check	4	150
ATM	2	100
Telephone	2	20
Draft Account (Credit Union)	0	N/A
Overdraft Protection	2	100
Debit Cards	0	10
Personal Withdrawals at Branch	0	500
Other	5	N/A

* Multiple answers allowed

Terms and Servicing

Exhibit 26
PERCENT OF INSTITUTIONS THAT PERMIT INTEREST ONLY PAYMENTS

	1988	1987
Yes	40%	34%
No	60	66

Exhibit 27
DOLLAR AMOUNT OF DELINQUENT OPEN-END HOME EQUITY LINES*

	1988		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$206,311	$21,220,075	.97%

	1987		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$77,859	$11,900,000	.7%

* A delinquent account is one that is over 30 days past due.

Exhibit 28

DOLLAR AMOUNT OF FORECLOSURES ON OPEN-END HOME EQUITY LINES

	1988		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$61,642	$21,220,075	.29%

	1987		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$9,190	$11,900,000	0%

Exhibit 29
DOLLAR AMOUNTS OF CHARGE-OFFS ON OPEN-END HOME EQUITY LINES

A. Gross Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$24,615	$21,220,076	.12%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$2,451	$11,900,000	0%

B. Net Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$22,281	$21,220,076	.11%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$2,043	$11,900,000	0%

Exhibit 30
OPEN-END HOME EQUITY LOANS OUTSTANDING WITH DEATH CLAIMS

	1988 Number of Death Claims	1987 Number of Death Claims
Median	1.0	.057
Mean	2.7	.220

Borrower Profile/Marketing

Exhibit 31
PRIMARY USES FOR HOME EQUITY CREDIT
(Percent of Institutions)

	1988	1987
Debt Consolidation	42%	54%
Home Improvements	26	43
Tax Advantage	4	0
Consumer Purchase	0	0
Cash	2	0
Education	0	0
Investments	0	0
Other	26	3

Exhibit 32
BORROWER CHARACTERISTICS

A. Borrowers Average Age (Percentage of borrowers)

Age	1988	1987
20-34	16%	13%
35-49	52	51
50-64	25	29
65 and over	7	7

B. Other Demographics

	1988		
	Median	Mean	Range
Years in Current Job	10.0	10.6	5 to 20
Years of Home Ownership	10.0	9.9	3 to 15
Number of Dependents (including spouse)	3.0	3	2 to 4
Household Income	$45,000	$44,966	$30,000 to $79,000

	1987		
	Median	Mean	Range
Years in Current Job	9.6	9.4	4 to 20
Years of Home Ownership	10	9.8	3 to 15
Number of Dependents (including spouse)	2.8	2.8	2 to 4
Household Income	$40,055	$45,683	$25,000 to $118,311

Exhibit 33
BORROWER'S EQUITY IN HOME

	1988		
	Appraisal Value	First Mortgage	Available Equity
Median	$82,085	$30,000	$52,085
Mean	93,321	38,011	55,310

	1987		
	Appraisal Value	First Mortgage	Available Equity
Median	$75,020	$30,056	$44,964
Mean	89,983	34,214	55,769

Exhibit 34
INCREASE IN CURRENT LINE

A. Percent of Institutions Permitting Increase In Current Line

	1988	1987
Yes	96%	92%
No	4	8

B. Percent of Institutions Charging Additional Fees For Current Line

	1988	1987
Yes	86%	89%
No	14	11

C. Number of Increases in Current Line

	1988	1987
Median	10	N/A
Mean	28	N/A

D. Dollar Increase in Current Line

	1988	1987
Median	$10,000	N/A
Mean	12,190	N/A

N/A = Not Available

Exhibit 35
IMPORTANCE OF MARKETING MEDIA*

	1988	1987
Newspaper	4.0	4.4
Direct Mail	4.3	4.4
Statement Stuffer	3.6	3.9
Television	1.8	2.7
Magazines	1.3	1.5
Radio	2.7	3.0
Cross Selling	5.2	4.8
Word of Mouth	4.6	4.3
Billboards	2.1	2.1
Brochures	3.8	3.8
Telemarketing	2.1	3.0
Realtor Referrals	2.0	2.0
Construction Co. Ref.	1.5	1.5
Employee Incentive	2.8	2.6
No or Low Closing Costs	3.9	4.3
Low Introductory Rates	1.7	2.6
Other	1.9	3.8

* Scale of 1 to 6 (where 1 is not important and 6 is very important).

N/A=Not Available

Exhibit 36
PRIMARY MARKETING MEDIUM
(Percent of Institutions)

	1988	1987
Newspaper	15%	18%
Direct Mail	13	30
Statement Stuffer	2	3
Television	0	3
Magazines	0	0
Radio	2	0
Cross Selling	21	16
Word of Mouth	0	2
Billboards		3
Brochures	4	0
Telemarketing	6	3
Realtor Referrals	2	N/A
Construction Co. Ref.	0	N/A
Employee Incentive	6	5
No or Low Closing Costs	27	13
Low Introductory Rates	0	N/A
Other	2	4

Borrower Profile/Marketing

Exhibit 37
HOME EQUITY LOAN SECONDARY MARKET ACTIVITY
(Percent of Institutions)

A. Buy Loans in the Secondary Market

	1988	1987
Yes	0%	2%
No	100	98

B. Sell Loans in the Secondary Market

	1988	1987
Yes	0%	0%
No	100	100

Exhibit 38
SECURITIZATION OF HOME EQUITY LINES

A. Securitizing Home Equity Lines (Percent of Institutions)

	1988	1987
Yes	6%	N/A
No	94	N/A

B. Institutions Not Currently Securitizing, That Are Planning to Securitize in Coming Year (Percent of Institutions)

	1988	1987
Yes	2%	N/A
No	98	N/A

Exhibit 39
RETURN ON ASSETS AND GROWTH IN ASSETS

A. Return on Assets

	1988	1987
Median	1.2%	N/A
Mean	1.2	N/A

B. Growth in Assets From Year Earlier

	1988	1987
Median	7.6%	N/A
Mean	7.5	N/A

WEST NORTH CENTRAL INSTITUTIONS

Exhibit 1
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

A. Total Consumer Credit Outstanding*

	1988		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$ 68,499,672	$ 635,293,000	11%
Mean	327,909,319	6,041,451,339	5

	1987		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$ 59,300,000	$ 411,000,000	7%
Mean	775,000,000	2,210,000,000	35

B. Total Delinquent** Consumer Credit*

	1988			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$ 934,603	177	$ 68,499,672	1.4%
Mean	4,611,168	1,665	327,909,319	1.4

	1987			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$1,083,687	N/A	$ 59,300,000	1.8%
Mean	3,050,000	N/A	775,000,000	.4

* Excludes unsecured credit cards.
** Past due by more than 30 days.

Exhibit 1 (continued)
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

C. Consumer Credit* Charged Off

	1988			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$ 383,734	170	$ 68,499,672	.56%
Mean	2,134,026	927	327,909,319	.65

	1987			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$ 176,334	N/A	$ 59,300,000	.3%
Mean	1,328,220	N/A	775,000,000	.2

* Excludes unsecured credit cards.

Home Equity Loan Activity

Exhibit 2
TOTAL HOME EQUITY CREDIT

	1988	1987
Total Home Equity Credit	$934,924,024	$649,000,000
Total Consumer Credit	$1,639,546,597	$10,100,000,000
Percent	57%	6.4%

Exhibit 3
OPEN-END HOME EQUITY REVOLVING CREDIT LINES -- APPROVED AND OUTSTANDING

A. Approved Open-End Lines

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	765	$ 99,370,500	$129,896
Mean	3,933	157,657,025	40,085

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	154	$ 2,362,925	$15,344
Mean	1,328	54,100,000	40,738

B. Outstanding Open-End Lines

1988	Median	Mean
Amount Outstanding	$ 8,879,533	$86,931,695
Number of Outstanding Lines	765	3,825
Average Outstanding Line	$11,607	$22,727
1987		
Amount Outstanding	$ 2,555,418	$30,900,000
Number of Outstanding Lines	N/A	N/A
Average Outstanding Line	N/A	N/A

Exhibit 4
BEGINNING YEAR OF OPEN-END HOME EQUITY CREDIT LENDING
(Percent of Institutions)

Pre 1981	0%
1981	0
1982	20
1983	20
1984	0
1985	0
1986	0
1987	60
1988	0
1989	0

Home Equity Loan Activity

Exhibit 5
HOME EQUITY OPEN-END LINES OF CREDIT BOOKED

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	1,297	$28,146,800	$21,701
Mean	1,721	57,097,400	33,177

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	94	$ 1,790,634	$19,049
Mean	742	27,200,000	36,658

Exhibit 6
CLOSED-END HOME EQUITY LOANS OUTSTANDING

	1988		
	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	2.297	$58,033,500	$25,265
Mean	3,618	76,073,981	21,027

	1987		
	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	1,966	$14,800,000	$7,528
Mean	5,263	9,740,000	1,850

Home Equity Loan Activity

Exhibit 7
CLOSED-END HOME EQUITY LINES BOOKED IN 1988

	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	671	$12,901,000	$19,227
Mean	957	17,372,329	18,153

Exhibit 8
FIXED AND VARIABLE RATE HOME EQUITY LOANS OUTSTANDING

As a percent of total home equity credit:

	1988	1987
Total open-end fixed rate	0%	.1%
Total open-end variable rate	100	99.9%

Home Equity Loan Activity

Exhibit 9
TOTAL HOME EQUITY LINES OF CREDIT -- MINIMUM AND MAXIMUM AMOUNTS

	Minimum Line Amount		Maximum Line Amount	
	1988	1987	1988	1987
Median	$5,000	$7,250	$200,000	$ 99,375
Mean	7,000	6,942	183,333	146,818

Exhibit 10

UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

A. Percent of Institutions Utilizing a Debt-to-Income Formula

1988	1987
100%	93%

B. Percent of Institutions Utilizing Debt-to-Income Formula on a Gross or Net Basis

	1988	1987
Gross	80%	71%
Net	20	21

C. Percentage Utilized in Gross Debt-to-Income Formula

	1988	1987
Median	36%	36%
Mean	36	36

D. Percentage Utilized in Net Debt-to-Income Formula

	1988	1987
Median	50%	46%
Mean	50	47

E. Percentage of Institutions Using a Firm Formula or a Guideline

	1988	1987
Firm	0%	30%
Guideline	100	70

Exhibit 10 (continued)
UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

F. Percentage of Institutions Utilizing Same Debt-to-Income Formula as for Other Consumer Loans

	1988	1987
Same formula	40%	36%
Different formula	60	64

G. If a Different Formula is Used for Home Equity Credit Than Consumer Loans, is That Formula:

	1988	1987
Higher	33%	14%
Lower	67	86

Application/Approval Process

Exhibit 11
MAXIMUM LOAN-TO-VALUE RATIOS ON OWNER-OCCUPIED HOME EQUITY LOANS

	1988	1987
Median	80%	79%
Mean	79	78

Exhibit 12
METHODS UTILIZED IN APPROVING HOME EQUITY LOAN APPLICATIONS

A. Formal or Informal Scoring Techniques (Percent of Institutions)

	1988	1987
Credit Scoring	0%	0%
Judgment	80	79
Combination	20	21

B. Average Required Processing Time (days)

	1988	1987
Median	8	11
Mean	10	13

C. Percent of Approved Open-End Lines that Close

	1988	1987
Median	95%	95%
Mean	96	95

Application/Approval Process

Exhibit 13
TYPES OF HOME EQUITY LOAN APPRAISAL METHODS
(Percent of Institutions)

	1988	1987
Full Appraisals	41%	59%
"Drive-By" Appraisals	25	26
Tax Assessments	34	14
Other	0	1

Exhibit 14
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

A. Title Insurance Requirement (Percent of Institutions)

	1988	1987
Always	20%	62%
Lines over $15,000	0	N/A
Lines over $25,000	0	8
Lines over $30,000	20	0
Lines over $35,000	0	0
Lines over $40,000	0	0
Lines over $50,000	0	0
Lines over $75,000	0	0
Lines over $100,000	0	0
First Mortgage	0	0
Other	20	22
Not Required	40	8

B. PMI Insurance Requirement (Percent of Institutions)

	1988	1987
Yes	0%	7%
No	100	93

C. Credit Life Insurance Offered (Percent of Institutions)

	1988	1987
Yes	75%	71%
No	25	29

D. Maximum Amount Insured

	1988	1987
Median	$100,000	$58,333
Mean	100,000	62,500

Exhibit 14 (continued)
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

E. Captive Insurance Company (Percent of Institutions)

	1988	1987
Yes	33%	36%
No	67	64

F. Percent of Applicants Taking Credit Life Insurance

	1988	1987
Median	27%	40%
Mean	22	26

Exhibit 15
AVAILABILITY OF NON-OWNER HOME EQUITY LOANS

A. Lend on Non-Owner Occupied Property (Percent of Institutions)

	1988	1987
Yes	60%	36%
No	40	64

B. Charge Higher Interest Rate [owner vs. non-owner] (Percent of Institutions)

	1988	1987
Yes	33%	40%
No	67	60

C. Average Difference in Interest Rate Charged (Basis Points)

	1988	1987
Median	125	N/A
Mean	125	N/A

D. Loan-to-Value Ratio for Non-Owner Occupied Homes

	1988	1987
Median	70%	75%
Mean	70	75

N/A = Not Available

Exhibit 16
AVAILABILITY OF HOME EQUITY LOANS ON CONDOMINIUMS AND CO-OPS
(Percent of Institutions)

A. Home Equity Loans on Condominiums

	1988	1987
Yes	75%	50%
No	25	43

B. Home Equity Loans on Co-ops

	1988	1987
Yes	0%	15%
No	100	85

Terms and Servicing

Exhibit 17
INSTITUTIONS CHARGING FEES ON HOME EQUITY LOANS*

	1988		1987	
	Percent of Institutions	Average Fee	Percent of Institutions	Average Fees
Annual Fees	20%	$ 45	14%	N/A
Application Fees	0	N/A	0	N/A
Appraisal Fees	80	123	79	N/A
Attorney Fees	20	105	29	N/A
Closing Fees	0	N/A	14	N/A
Credit Check Fees	20	5	14	N/A
Loan Set-Up Fees	0	N/A	7	N/A
Mortgage Tax	60	233	29	N/A
Points	0	N/A	21	N/A
Property Report	0	N/A	0	N/A
Recording Fees	80	14	93	N/A
Subordination Fees	0	N/A	0	N/A
Title Insurance	40	285	79	N/A
Title Search Fees	20	75	64	N/A
Unused Commitment Fee	0	N/A	N/A	N/A
Other Fees	20	75	7	N/A

* Multiple answers allowed

Exhibit 18
INTEREST RATE INDEX UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
The Wall Street Journal Prime Rate	60%	27%
A Bank Prime Rate	40	36
30 day Treasury Bill Rate	0	0
90 day Treasury Bill Rate	0	9
6 month Treasury Bill Rate	0	0
52 week Treasury Bill Rate	0	0
Other	0	27

Terms and Servicing

Exhibit 19
CAN HOME EQUITY LINES BE CONVERTED FROM VARIABLE TO FIXED RATE

	1988	1987
Yes	20%	N/A
No	80	N/A

Exhibit 20
SPREAD OVER SELECTED INTEREST RATE INDICES UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(in basis points)

	1988	1987
Spread Over Prime Rate Index		
Median	200	195
Mean	218	201
Spread Over Treasury Bill Index*		
Median	N/A	445
Mean	N/A	445

*Includes all types of Treasury Bills

Terms and Servicing

Exhibit 21
FREQUENCY OF INTEREST RATE ADJUSTMENTS ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
Daily	20%	43%
Monthly	80	21
Quarterly	0	N/A
Other	0	36

Exhibit 22
INITIAL RATES AND UPWARD ADJUSTMENT CAPS ON VARIABLE RATE HOME EQUITY LOANS

A. Percent of Institutions That Limit Annual Adjustments

	1988	1987
Yes	20%	57%
No	80%	43

B. Maximum Lifetime Adjustment

	1988	1987
Median	20.0%	18.9%
Mean	20.1	18.9

C. Interest Rate Cap Set A State's Usury Rate (Percent of Institutions)

	1988	1987
Yes	80%	N/A
No	20	N/A

Exhibit 23

INTEREST RATE FLOORS ON VARIABLE RATE HOME EQUITY LOANS

A. Median Annual Interest Rate Floors (Percent of Institutions)

	1988	1987
Yes	20%	7%
No	80	93
Median Annual Floor Rate (%)	9.0	9.0

B. Median Lifetime Interest Rate Floor (Percent of Institutions)

	1988	1987
Yes	20%	14%
No	80	86
Median Lifetime Floor Rate (%)	9.0	10.0

Exhibit 24
PERIODIC CREDIT REVIEW PROCESS ON OUTSTANDING HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
A. Conduct Credit Review		
Yes	100%	86%
No	0	14
B. Frequency of Credit Review		
Monthly	0%	N/A
Quarterly	0	0
Semi-annually	0	N/A
Yearly	80	58
Biennial	0	25
Triennial	20	0
Every 5 years	0	8
Other	0	9
C. Utilize Account Monitoring System		
Yes	60%	75%
No	40	25
D. Account Monitoring Systems		
Internal Report	0%	N/A
TRW Monthly Signal	0	N/A
Delinquency	0	N/A
Computer Tickler	0	N/A
Collection Department	0	N/A
Other	100	N/A

N/A = Not Available

Exhibit 25
MOST FREQUENTLY USED ACCESS METHODS TO VARIABLE RATE OPEN-END HOME EQUITY LINES OF CREDIT*

Type of Access Methods	1988 Most Frequently Used	1988 Median Minimum Transaction Amounts
Credit Card	0%	N/A
Checks	60	$500
Bank Check	0	N/A
ATM	0	N/A
Telephone	20	N/A
Draft Account (Credit Union)	0	N/A
Overdraft Protection	0	N/A
Debit Cards	0	N/A
Personal Withdrawals at Branch	0	500
Other	20	N/A

* Multiple answers allowed

Terms and Servicing

Exhibit 26
PERCENT OF INSTITUTIONS THAT PERMIT INTEREST ONLY PAYMENTS

	1988	1987
Yes	40%	54%
No	60	46

Exhibit 27
DOLLAR AMOUNT OF DELINQUENT OPEN-END HOME EQUITY LINES*

	1988		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$689,710	$86,931,695	.8%

	1987		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$175,328	$30,900,000	.6%

* A delinquent account is one that is over 30 days past due.

Exhibit 28
DOLLAR AMOUNT OF FORECLOSURES ON OPEN-END HOME EQUITY LINES

	1988		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$111,000	$86,931,695	.13%

	1987		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$25,226	$30,900,000	0.1%

Exhibit 29
DOLLAR AMOUNTS OF CHARGE-OFFS ON OPEN-END HOME EQUITY LINES

A. Gross Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$26,080	$86,931,695	.03%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	N/A	$30,900,000	N/A

B. Net Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$26,080	$86,931,695	.03%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	N/A	$30,900,000	N/A

Exhibit 30
OPEN-END HOME EQUITY LOANS OUTSTANDING WITH DEATH CLAIMS

	1988 Number of Death Claims	1987 Number of Death Claims
Median	5.0	0
Mean	5.0	1

Borrower Profile/Marketing

Exhibit 31
PRIMARY USES FOR HOME EQUITY CREDIT
(Percent of Institutions)

	1988	1987
Debt Consolidation	80%	36%
Home Improvements	20	43
Tax Advantage	0	0
Consumer Purchase	0	0
Cash	0	0
Education	0	0
Investments	0	7
Other	0	14

Exhibit 32
BORROWER CHARACTERISTICS

A. Borrowers Average Age (Percentage of borrowers)

Age	1988	1987
20-34	19%	14%
35-49	49	57
50-64	22	23
65 and over	10	6

B. Other Demographics

	1988		
	Median	Mean	Range
Years in Current Job	7.0	6.7	3 to 10
Years of Home Ownership	10.0	7.7	3 to 10
Number of Dependents (including spouse)	3.0	2.7	1 to 4
Household Income	$40,000	$38,333	$30,000 to $45,000

	1987		
	Median	Mean	Range
Years in Current Job	10	9	5 to 15
Years of Home Ownership	11	11	4 to 15
Number of Dependents (including spouse)	3	3	2 to 4
Household Income	$39,500	$39,960	$27,600 to $60,000

Exhibit 33
BORROWER'S EQUITY IN HOME

	1988		
	Appraisal Value	First Mortgage	Available Equity
Median	$70,000	$35,000	$35,000
Mean	76,667	32,333	44,334

	1987		
	Appraisal Value	First Mortgage	Available Equity
Median	$80,000	$30,500	$49,500
Mean	79,700	32,100	47,600

Exhibit 34
INCREASE IN CURRENT LINE

A. Percent of Institutions Permitting Increase In Current Line

	1988	1987
Yes	100%	85%
No	0	15

B. Percent of Institutions Charging Additional Fees For Current Line

	1988	1987
Yes	100%	91%
No	0	9

C. Number of Increases in Current Line

	1988	1987
Median	2.5	N/A
Mean	3.8	N/A

D. Dollar Increase in Current Line

	1988	1987
Median	$7,500	N/A
Mean	6,667	N/A

N/A = Not Available

Exhibit 35
IMPORTANCE OF MARKETING MEDIA*

	1988	1987
Newspaper	2.8	4.2
Direct Mail	4.4	3.8
Statement Stuffer	2.5	3.3
Television	1.7	3.1
Magazines	1.0	1.3
Radio	3.8	2.9
Cross Selling	4.8	3.9
Word of Mouth	4.3	3.8
Billboards	2.0	2.2
Brochures	4.0	3.2
Telemarketing	3.2	2.7
Realtor Referrals	3.0	1.4
Construction Co. Ref.	2.0	1.8
Employee Incentive	2.2	2.9
No or Low Closing Costs	2.0	3.2
Low Introductory Rates	1.0	3.0
Other	N/A	1.0

* Scale of 1 to 6 (where 1 is not important and 6 is very important).
N/A=Not Available

Exhibit 36
PRIMARY MARKETING MEDIUM
(Percent of Institutions)

	1988	1987
Newspaper	0%	25%
Direct Mail	40	25
Statement Stuffer	0	0
Television	0	0
Magazines	0	0
Radio	0	0
Cross Selling	60	17
Word of Mouth	0	8
Billboards	0	0
Brochures	0	0
Telemarketing	0	0
Realtor Referrals	0	0
Construction Co. Ref.	0	0
Employee Incentive	0	0
No or Low Closing Costs	0	8
Low Introductory Rates	0	8
Other	0	8

Exhibit 37
HOME EQUITY LOAN SECONDARY MARKET ACTIVITY
(Percent of Institutions)

A. Buy Loans in the Secondary Market

	1988	1987
Yes	0%	0%
No	100	100

B. Sell Loans in the Secondary Market

	1988	1987
Yes	0%	0%
No	100	100

Exhibit 38
SECURITIZATION OF HOME EQUITY LINES

A. Securitizing Home Equity Lines (Percent of Institutions)

	1988	1987
Yes	20%	N/A
No	80	N/A

B. Institutions Not Currently Securitizing, That Are Planning to Securitize in Coming Year (Percent of Institutions)

	1988	1987
Yes	0%	N/A
No	100	N/A

Exhibit 39
RETURN ON ASSETS AND GROWTH IN ASSETS

A. Return on Assets

	1988	1987
Median	.38%	N/A
Mean	.15	N/A

B. Growth in Assets From Year Earlier

	1988	1987
Median	(9.7%)	N/A
Mean	(5.7)	N/A

WEST
INSTITUTIONS

Exhibit 1
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

A. Total Consumer Credit Outstanding*

	1988		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$160,989,017	$1,500,000,000	11%
Mean	724,159,137	7,674,629,436	9

	1987		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$333,000,000	$3,000,000,000	11%
Mean	816,000,000	7,560,000,000	11

B. Total Delinquent** Consumer Credit*

	1988			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$ 3,632,500	627	$160,989,017	2.3%
Mean	12,087,818	1,539	724,159,137	1.7

	1987			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$ 2,552,544	N/A	$333,000,000	6.8%
Mean	10,300,000	N/A	816,000,000	1.3

* Excludes unsecured credit cards.
** Past due by more than 30 days.

Exhibit 1 (continued)
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

C. Consumer Credit* Charged Off

	1988			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$1,600,000	154	$160,989,017	1%
Mean	4,573,572	878	724,159,137	.63

	1987			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$2,042,158	N/A	$333,000,000	.6%
Mean	3,509,138	N/A	816,000,000	.4

* Excludes unsecured credit cards.

Home Equity Loan Activity

Exhibit 2
TOTAL HOME EQUITY CREDIT

	1988	1987
Total Home Equity Credit	$7,696,643,045	$3,890,000,000
Total Consumer Credit	$14,483,000,000	$25,300,000,000
Percent	53%	15.4%

Exhibit 3
OPEN-END HOME EQUITY REVOLVING CREDIT LINES -- APPROVED AND OUTSTANDING

A. Approved Open-End Lines

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	969	$ 32,015,003	$33,039
Mean	4,261	195,847,654	45,963

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	1,259	$ 47,800,000	$37,967
Mean	3,877	118,000,000	30,420

B. Outstanding Open-End Lines

1988	Median	Mean
Amount Outstanding	$24,870,700	$93,670,491
Number of Outstanding Lines	853	3,487
Average Outstanding Line	$29,157	$26,863
1987		
Amount Outstanding	$28,700,000	$45,600,000
Number of Outstanding Lines	N/A	N/A
Average Outstanding Line	N/A	N/A

Exhibit 4
BEGINNING YEAR OF OPEN-END HOME EQUITY CREDIT LENDING
(Percent of Institutions)

Pre 1981	0%
1981	9
1982	5
1983	24
1984	5
1985	24
1986	0
1987	24
1988	9
1989	0

Home Equity Loan Activity

Exhibit 5
HOME EQUITY OPEN-END LINES OF CREDIT BOOKED

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	281	$ 9,268,875	$32,985
Mean	2,459	135,906,517	55,269

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	31,895	$24,500,000	$ 768
Mean	1,063	43,800,000	41,204

Exhibit 6
CLOSED-END HOME EQUITY LOANS OUTSTANDING

	Number of Loans	Amount Outstanding	Average Outstanding Loan
	1988		
Median	1,590	$ 27,757,790	$17,458
Mean	7,676	222,334,703	28,965
	1987		
Median	2,445	$41,200,000	$16,851
Mean	4,072	99,100,000	24,337

Home Equity Loan Activity

Exhibit 7
CLOSED-END HOME EQUITY LINES BOOKED IN 1988

	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	633	$11,630,500	$18,374
Mean	2,506	89,005,610	35,517

Exhibit 8
FIXED AND VARIABLE RATE HOME EQUITY LOANS OUTSTANDING

As a percent of total home equity credit:

	1988	1987
Total open-end fixed rate	8%	4%
Total open-end variable rate	92	96

Home Equity Loan Activity

Exhibit 9
TOTAL HOME EQUITY LINES OF CREDIT -- MINIMUM AND MAXIMUM AMOUNTS

	Minimum Line Amount		Maximum Line Amount	
	1988	1987	1988	1987
Median	$5,000	$5,208	$225,000	$159,350
Mean	8,100	7,440	267,059	223,412

Exhibit 10

UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

A. Percent of Institutions Utilizing a Debt-to-Income Formula

1988	1987
81%	94%

B. Percent of Institutions Utilizing Debt-to-Income Formula on a Gross or Net Basis

	1988	1987
Gross	71%	71%
Net	29	29

C. Percentage Utilized in Gross Debt-to-Income Formula

	1988	1987
Median	40%	39%
Mean	40	40

D. Percentage Utilized in Net Debt-to-Income Formula

	1988	1987
Median	45%	44%
Mean	44	44

E. Percentage of Institutions Using a Firm Formula or a Guideline

	1988	1987
Firm	25%	27%
Guideline	75	73

Exhibit 10 (continued)
UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

F. Percentage of Institutions Utilizing Same Debt-to-Income Formula as for Other Consumer Loans

	1988	1987
Same formula	65%	46%
Different formula	35	54

G. If a Different Formula is Used for Home Equity Credit Than Consumer Loans, is That Formula:

	1988	1987
Higher	29%	24%
Lower	71	76

Application/Approval Process

Exhibit 11
MAXIMUM LOAN-TO-VALUE RATIOS ON OWNER-OCCUPIED HOME EQUITY LOANS

	1988	1987
Median	75%	76%
Mean	77	76

Exhibit 12
METHODS UTILIZED IN APPROVING HOME EQUITY LOAN APPLICATIONS

A. Formal or Informal Scoring Techniques (Percent of Institutions)

	1988	1987
Credit Scoring	9%	3%
Judgment	81	84
Combination	10	12

B. Average Required Processing Time (days)

	1988	1987
Median	14	14
Mean	15	18

C. Percent of Approved Open-End Lines that Close

	1988	1987
Median	90%	90%
Mean	84	88

Application/Approval Process

Exhibit 13
TYPES OF HOME EQUITY LOAN APPRAISAL METHODS
(Percent of Institutions)

	1988	1987
Full Appraisals	56%	62%
"Drive-By" Appraisals	26	28
Tax Assessments	18	10
Other	0	0

Exhibit 14
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

A. Title Insurance Requirement (Percent of Institutions)

	1988	1987
Always	52%	76%
Lines over $15,000	5	N/A
Lines over $25,000	0	4
Lines over $30,000	0	0
Lines over $35,000	0	0
Lines over $40,000	0	0
Lines over $50,000	0	N/A
Lines over $75,000	0	0
Lines over $100,000	0	0
First Mortgage	0	0
Other	23	14
Not Required	20	6

B. PMI Insurance Requirement (Percent of Institutions)

	1988	1987
Yes	0%	4%
No	100	96

C. Credit Life Insurance Offered (Percent of Institutions)

	1988	1987
Yes	60%	6%
No	40	94

D. Maximum Amount Insured

	1988	1987
Median	$ 50,000	$49,772
Mean	81,250	55,278

Exhibit 14 (continued)
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

E. Captive Insurance Company (Percent of Institutions)

	1988	1987
Yes	33%	34%
No	67	66

F. Percent of Applicants Taking Credit Life Insurance

	1988	1987
Median	10%	14%
Mean	23	22

Exhibit 15
AVAILABILITY OF NON-OWNER HOME EQUITY LOANS

A. Lend on Non-Owner Occupied Property (Percent of Institutions)

	1988	1987
Yes	47%	66%
No	53	34

B. Charge Higher Interest Rate [owner vs. non-owner] (Percent of Institutions)

	1988	1987
Yes	36%	54%
No	64	46

C. Average Difference in Interest Rate Charged (Basis Points)

	1988	1987
Median	50	N/A
Mean	87	N/A

D. Loan-to-Value Ratio for Non-Owner Occupied Homes

	1988	1987
Median	73%	70%
Mean	74	72

N/A = Not Available

Application/Approval Process

Exhibit 16
AVAILABILITY OF HOME EQUITY LOANS ON CONDOMINIUMS AND CO-OPS
(Percent of Institutions)

A. Home Equity Loans on Condominiums

	1988	1987
Yes	84%	72%
No	16	28

B. Home Equity Loans on Co-ops

	1988	1987
Yes	10%	3%
No	90	97

Terms and Servicing

Exhibit 17
INSTITUTIONS CHARGING FEES ON HOME EQUITY LOANS*

	1988		1987	
	Percent of Institutions	Average Fee	Percent of Institutions	Average Fees
Annual Fees	57%	$ 41	58%	N/A
Application Fees	24	210	12	N/A
Appraisal Fees	52	187	88	N/A
Attorney Fees	5	52	12	N/A
Closing Fees	5	250	22	N/A
Credit Check Fees	24	12	34	N/A
Loan Set-Up Fees	14	146	15	N/A
Mortgage Tax	9	38	3	N/A
Points	9	163	24	N/A
Property Report	0	N/A	16	N/A
Recording Fees	52	17	88	N/A
Subordination Fees	9	33	16	N/A
Title Insurance	38	235	94	N/A
Title Search Fees	5	25	52	N/A
Unused Commitment Fee	0	N/A	N/A	N/A
Other Fees	14	18	6	N/A

* Multiple answers allowed

Exhibit 18
INTEREST RATE INDEX UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
The Wall Street Journal Prime Rate	22%	32%
A Bank Prime Rate	44	36
30 day Treasury Bill Rate	0	4
90 day Treasury Bill Rate	11	10
6 month Treasury Bill Rate	11	4
52 week Treasury Bill Rate	0	0
Other	12	14

Exhibit 19
CAN HOME EQUITY LINES BE CONVERTED FROM VARIABLE TO FIXED RATE

	1988	1987
Yes	30%	N/A
No	70	N/A

Exhibit 20
SPREAD OVER SELECTED INTEREST RATE INDICES UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(in basis points)

	1988	1987
Spread Over Prime Rate Index		
Median	213	203
Mean	244	217
Spread Over Treasury Bill Index*		
Median	418	438
Mean	409	425

*Includes all types of Treasury Bills

Terms and Servicing

Exhibit 21
FREQUENCY OF INTEREST RATE ADJUSTMENTS ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
Daily	14%	0%
Monthly	57	70
Quarterly	19	16
Other	10	14

Exhibit 22
INITIAL RATES AND UPWARD ADJUSTMENT CAPS ON VARIABLE RATE HOME EQUITY LOANS

A. Percent of Institutions That Limit Annual Adjustments

	1988	1987
Yes	45%	85%
No	55	15

B. Maximum Lifetime Adjustment

	1988	1987
Median	18.0%	8.2%
Mean	14.3	11.9

C. Interest Rate Cap Set A State's Usury Rate (Percent of Institutions)

	1988	1987
Yes	12%	N/A
No	88%	N/A

Exhibit 23
INTEREST RATE FLOORS ON VARIABLE RATE HOME EQUITY LOANS

A. Median Annual Interest Rate Floors (Percent of Institutions)

	1988	1987
Yes	15%	3%
No	85	97
Median Annual Floor Rate (%)	9.0	3.0

B. Median Lifetime Interest Rate Floor (Percent of Institutions)

	1988	1987
Yes	15%	15%
No	85	85
Median Lifetime Floor Rate (%)	6.0	8.0

Exhibit 24
PERIODIC CREDIT REVIEW PROCESS ON OUTSTANDING HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
A. Conduct Credit Review		
Yes	70%	66%
No	30	34
B. Frequency of Credit Review		
Monthly	0%	0%
Quarterly	0	N/A
Semi-annually	0	0
Yearly	38	54
Biennial	19	14
Triennial	5	14
Every 5 years	0	5
Other	38	13
C. Utilize Account Monitoring System		
Yes	60%	32%
No	40	68
D. Account Monitoring Systems		
Internal Report	5%	N/A
TRW Monthly Signal	14	N/A
Delinquency	14	N/A
Computer Tickler	0	N/A
Collection Department	14	N/A
Other	52	N/A

N/A = Not Available

Exhibit 25
MOST FREQUENTLY USED ACCESS METHODS TO VARIABLE RATE OPEN-END HOME EQUITY LINES OF CREDIT*

	1988	
Type of Access Methods	Most Frequently Used	Median Minimum Transaction Amounts
Credit Card	5%	$300
Checks	57	300
Bank Check	0	300
ATM	0	N/A
Telephone	10	30
Draft Account (Credit Union)	5	5
Overdraft Protection	0	100
Debit Cards	0	N/A
Personal Withdrawals at Branch	0	300
Other	23	500

* Multiple answers allowed

Terms and Servicing

Exhibit 26
PERCENT OF INSTITUTIONS THAT PERMIT INTEREST ONLY PAYMENTS

	1988	1987
Yes	43%	44%
No	57	56

Exhibit 27
DOLLAR AMOUNT OF DELINQUENT OPEN-END HOME EQUITY LINES*

	1988		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$795,095	$93,670,491	.08%

	1987		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$272,750	$45,600,000	.6%

* A delinquent account is one that is over 30 days past due.

Exhibit 28
DOLLAR AMOUNT OF FORECLOSURES ON OPEN-END HOME EQUITY LINES

	1988		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$80,000	$93,670,491	.09%

	1987		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$10,808	$45,600,000	.02%

Exhibit 29
DOLLAR AMOUNTS OF CHARGE-OFFS ON OPEN-END HOME EQUITY LINES

A. Gross Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$510,504	$93,670,491	.55%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$26,130	$45,600,000	.06%

B. Net Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$421,517	$93,070,491	.45%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$1,979	$45,600,000	.004%

Exhibit 30
OPEN-END HOME EQUITY LOANS OUTSTANDING WITH DEATH CLAIMS

	1988 Number of Death Claims	1987 Number of Death Claims
Median	1.0	0
Mean	1.3	0

Borrower Profile/Marketing

Exhibit 31
PRIMARY USES FOR HOME EQUITY CREDIT
(Percent of Institutions)

	1988	1987
Debt Consolidation	38%	84%
Home Improvements	19	72
Tax Advantage	0	0
Consumer Purchase	5	12
Cash	0	0
Education	0	12
Investments	0	28
Other	38	3

Exhibit 32
BORROWER CHARACTERISTICS

A. Borrowers Average Age (Percentage of borrowers)

Age	1988	1987
20-34	18%	10%
35-49	48	52
50-64	28	26
65 and over	6	5

B. Other Demographics

	1988		
	Median	Mean	Range
Years in Current Job	5.0	7.5	5 to 15
Years of Home Ownership	6.5	9.9	5 to 40
Number of Dependents (including spouse)	3.0	3.0	2 to 4
Household Income	$50,000	$59,231	$30,000 to $150,000

	1987		
	Median	Mean	Range
Years in Current Job	6	6	3 to 15
Years of Home Ownership	8	8	N/A
Number of Dependents (including spouse)	2	2	2 to 5
Household Income	$40,500	$53,525	$23,000 to $150,000

Exhibit 33

BORROWER'S EQUITY IN HOME

	1988		
	Appraisal Value	First Mortgage	Available Equity
Median	$150,000	$60,000	$90,000
Mean	184,308	85,909	98,399

	1987		
	Appraisal Value	First Mortgage	Available Equity
Median	$100,500	$50,000	$50,500
Mean	138,646	56,576	82,070

Exhibit 34
INCREASE IN CURRENT LINE

A. Percent of Institutions Permitting Increase In Current Line

	1988	1987
Yes	95%	87%
No	5	13

B. Percent of Institutions Charging Additional Fees For Current Line

	1988	1987
Yes	90%	96%
No	10	4

C. Number of Increases in Current Line

	1988	1987
Median	6.5	N/A
Mean	196	N/A

D. Dollar Increase in Current Line

	1988	1987
Median	$22,500	N/A
Mean	33,667	N/A

N/A = Not Available

Exhibit 35
IMPORTANCE OF MARKETING MEDIA*

	1988	1987
Newspaper	4.4	4.3
Direct Mail	4.2	3.7
Statement Stuffer	3.4	3.4
Television	2.1	2.6
Magazines	2.1	1.8
Radio	2.9	3.1
Cross Selling	4.4	4.4
Word of Mouth	3.6	3.3
Billboards	1.7	2.4
Brochures	3.5	3.1
Telemarketing	2.5	2.6
Realtor Referrals	2.0	1.7
Construction Co. Ref.	1.2	1.4
Employee Incentive	2.9	3.4
No or Low Closing Costs	4.4	3.4
Low Introductory Rates	2.6	2.8
Other	3.1	2.0

* Scale of 1 to 6 (where 1 is not important and 6 is very important).
N/A=Not Available

Exhibit 36
PRIMARY MARKETING MEDIUM
(Percent of Institutions)

	1988	1987
Newspaper	29%	6%
Direct Mail	19	9
Statement Stuffer	5	9
Television	0	11
Magazines	0	0
Radio	5	11
Cross Selling	14	16
Word of Mouth	5	17
Billboards	0	0
Brochures	0	0
Telemarketing	0	0
Realtor Referrals	0	0
Construction Co. Ref.	0	0
Employee Incentive	5	0
No or Low Closing Costs	5	3
Low Introductory Rates	0	1
Other	13	0

Exhibit 37
HOME EQUITY LOAN SECONDARY MARKET ACTIVITY
(Percent of Institutions)

A. Buy Loans in the Secondary Market

	1988	1987
Yes	0%	N/A
No	100	N/A

B. Sell Loans in the Secondary Market

	1988	1987
Yes	0%	3%
No	100	97

Exhibit 38
SECURITIZATION OF HOME EQUITY LINES

A. Securitizing Home Equity Lines (Percent of Institutions)

	1988	1987
Yes	5%	N/A
No	95	N/A

B. Institutions Not Currently Securitizing, That Are Planning to Securitize in Coming Year (Percent of Institutions)

	1988	1987
Yes	6%	N/A
No	94	N/A

Exhibit 39
RETURN ON ASSETS AND GROWTH IN ASSETS

A. Return on Assets

	1988	1987
Median	1.0%	N/A
Mean	1.1	N/A

B. Growth in Assets From Year Earlier

	1988	1987
Median	4.7%	N/A
Mean	7.6	N/A

SMALL INSTITUTIONS

Exhibit 1
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

A. Total Consumer Credit Outstanding*

	1988		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$38,670,000	$220,260,500	18%
Mean	62,528,049	360,270,304	17

	1987		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$34,700,000	$220,000,000	16%
Mean	41,000,000	233,000,000	18

B. Total Delinquent** Consumer Credit*

	1988			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$ 593,049	140	38,670,000	1.5%
Mean	1,458,499	544	62,528,049	2.3

	1987			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$517,000	N/A	$34,700,000	1.5%
Mean	724,546	N/A	41,000,000	1.8

* Excludes unsecured credit cards.
** Past due by more than 30 days.

Exhibit 1 (continued)
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

C. Consumer Credit* Charged Off

	1988			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$119,373	71	$38,670,000	.3%
Mean	395,950	193	62,528,049	.6

	1987			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$120,045	N/A	$34,700,000	.3%
Mean	204,171	N/A	41,000,000	.5

* Excludes unsecured credit cards.

Home Equity Loan Activity

Exhibit 2
TOTAL HOME EQUITY CREDIT

	1988	1987
Total Home Equity Credit	$942,466,243	$435,000,000
Total Consumer Credit	$3,814,210,967	$2,660,000,000
Percent	25%	16%

Exhibit 3
OPEN-END HOME EQUITY REVOLVING CREDIT LINES -- APPROVED AND OUTSTANDING

A. Approved Open-End Lines

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	202	$ 5,468,000	$27,069
Mean	413	12,911,774	31,263

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	147	$4,200,000	$28,571
Mean	226	6,488,524	28,710

B. Outstanding Open-End Lines

1988	Median	Mean
Amount Outstanding	$3,188,646	$6,516,894
Number of Outstanding Lines	175	331
Average Outstanding Line	$18,221	$19,689
1987		
Amount Outstanding	$2,270,242	$3,246,049
Number of Outstanding Lines	N/A	N/A
Average Outstanding Line	N/A	N/A

Exhibit 4
BEGINNING YEAR OF OPEN-END HOME EQUITY CREDIT LENDING
(Percent of Institutions)

Pre 1981	0%
1981	0
1982	0
1983	0
1984	13
1985	13
1986	30
1987	35
1988	7
1989	2

Home Equity Loan Activity **Small Institutions**

Exhibit 5
HOME EQUITY OPEN-END LINES OF CREDIT BOOKED

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	47	$1,682,750	$35,803
Mean	109	4,066,479	37,307

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	110	$2,480,850	$22,553
Mean	198	4,833,542	24,411

Exhibit 6

CLOSED-END HOME EQUITY LOANS OUTSTANDING

	1988		
	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	145	$2,233,256	$15,402
Mean	539	6,452,556	11,971

	1987		
	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	108	$1,353,435	$12,532
Mean	175	3,147,392	17,985

Home Equity Loan Activity

Exhibit 7

CLOSED-END HOME EQUITY LINES BOOKED IN 1988

	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	53	$ 1,033,128	$19,493
Mean	199	2,849,134	14,317

Exhibit 8
FIXED AND VARIABLE RATE HOME EQUITY LOANS OUTSTANDING

As a percent of total home equity credit:

	1988	1987
Total open-end fixed rate	2%	1%
Total open-end variable rate	98	99%

Home Equity Loan Activity

Exhibit 9
TOTAL HOME EQUITY LINES OF CREDIT -- MINIMUM AND MAXIMUM AMOUNTS

	Minimum Line Amount		Maximum Line Amount	
	1988	1987	1988	1987
Median	$5,000	$5,000	$100,000	$100,000
Mean	7,181	6,601	225,154	380,727

Exhibit 10

UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

A. Percent of Institutions Utilizing a Debt-to-Income Formula

1988	1987
90%	91%

B. Percent of Institutions Utilizing Debt-to-Income Formula on a Gross or Net Basis

	1988	1987
Gross	65%	75%
Net	35	25

C. Percentage Utilized in Gross Debt-to-Income Formula

	1988	1987
Median	36%	36%
Mean	37	36

D. Percentage Utilized in Net Debt-to-Income Formula

	1988	1987
Median	40%	41%
Mean	41	43

E. Percentage of Institutions Using a Firm Formula or a Guideline

	1988	1987
Firm	30%	21%
Guideline	70	79

Exhibit 10 (continued)
UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

F. Percentage of Institutions Utilizing Same Debt-to-Income Formula as for Other Consumer Loans

	1988	1987
Same formula	72%	68%
Different formula	28	32

G. If a Different Formula is Used for Home Equity Credit Than Consumer Loans, is That Formula:

	1988	1987
Higher	30%	26%
Lower	70	74

Application/Approval Process

Exhibit 11
MAXIMUM LOAN-TO-VALUE RATIOS ON OWNER-OCCUPIED HOME EQUITY LOANS

	1988	1987
Median	75%	77%
Mean	77	77

Exhibit 12
METHODS UTILIZED IN APPROVING HOME EQUITY LOAN APPLICATIONS

A. Formal or Informal Scoring Techniques (Percent of Institutions)

	1988	1987
Credit Scoring	3%	0%
Judgment	81	84
Combination	16	16

B. Average Required Processing Time (days)

	1988	1987
Median	14	14
Mean	14	16

C. Percent of Approved Open-End Lines that Close

	1988	1987
Median	95%	95%
Mean	93	91

Application/Approval Process

Exhibit 13
TYPES OF HOME EQUITY LOAN APPRAISAL METHODS
(Percent of Institutions)

	1988	1987
Full Appraisals	65%	62%
"Drive-By" Appraisals	25	23
Tax Assessments	10	10
Other	0	5

Exhibit 14
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

A. Title Insurance Requirement (Percent of Institutions)

	1988	1987
Always	36%	34%
Lines over $15,000	2	N/A
Lines over $25,000	0	11
Lines over $30,000	3	2
Lines over $35,000	0	0
Lines over $40,000	0	5
Lines over $50,000	5	N/A
Lines over $75,000	0	0
Lines over $100,000	0	2
First Mortgage	0	0
Other	12	3
Not Required	42	43

B. PMI Insurance Requirement (Percent of Institutions)

	1988	1987
Yes	3%	3%
No	97	97

C. Credit Life Insurance Offered (Percent of Institutions)

	1988	1987
Yes	61%	64%
No	39	36

D. Maximum Amount Insured

	1988	1987
Median	$50,000	$49,167
Mean	59,848	47,237

Exhibit 14 (continued)
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

E. Captive Insurance Company (Percent of Institutions)

	1988	1987
Yes	33%	34%
No	67	66

F. Percent of Applicants Taking Credit Life Insurance

	1988	1987
Median	18%	20%
Mean	22	23

Exhibit 15
AVAILABILITY OF NON-OWNER HOME EQUITY LOANS

A. Lend on Non-Owner Occupied Property (Percent of Institutions)

	1988	1987
Yes	35%	25%
No	65	75

B. Charge Higher Interest Rate [owner vs. non-owner] (Percent of Institutions)

	1988	1987
Yes	26%	25%
No	74	75

C. Average Difference in Interest Rate Charged (Basis Points)

	1988	1987
Median	50	N/A
Mean	86	N/A

D. Loan-to-Value Ratio for Owner Occupied Loans

	1988	1987
Median	75%	77%
Mean	77	77

E. Loan-to-Value Ratio for Non-Owner Occupied Loans

	1988	1987
Median	75%	70%
Mean	74	71

N/A = Not Available

Exhibit 16
AVAILABILITY OF HOME EQUITY LOANS ON CONDOMINIUMS AND CO-OPS
(Percent of Institutions)

A. Home Equity Loans on Condominiums

	1988	1987
Yes	66%	58%
No	34	42

B. Home Equity Loans on Co-ops

	1988	1987
Yes	12%	9%
No	88	91

Terms and Servicing

Exhibit 17
INSTITUTIONS CHARGING FEES ON HOME EQUITY LOANS*

	1988		1987	
	Percent of Institutions	Average Fee	Percent of Institutions	Average Fees
Annual Fees	26%	$31	38%	N/A
Application Fees	18	114	19	N/A
Appraisal Fees	71	146	81	N/A
Attorney Fees	27	149	25	N/A
Closing Fees	5	167	19	N/A
Credit Check Fees	5	23	13	N/A
Loan Set-Up Fees	2	38	1	N/A
Mortgage Tax	5	97	10	N/A
Points	6	155	6	N/A
Property Report	2	30	17	N/A
Recording Fees	73	28	78	N/A
Subordination Fees	3	9	6	N/A
Title Insurance	24	267	49	N/A
Title Search Fees	29	81	49	N/A
Unused Commitment Fee	0	0	N/A	N/A
Other Fees	13	202	1	N/A

* Multiple answers allowed

Exhibit 18
INTEREST RATE INDEX UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
The Wall Street Journal Prime Rate	49%	39%
A Bank Prime Rate	31	39
30 day Treasury Bill Rate	N/A	0
90 day Treasury Bill Rate	5	8
6 month Treasury Bill Rate	3	5
52 week Treasury Bill Rate	N/A	0
Other	12	9

Terms and Servicing

Exhibit 19
CAN HOME EQUITY LINES BE CONVERTED FROM VARIABLE TO FIXED RATE

	1988	1987
Yes	76%	N/A
No	24	N/A

Exhibit 20
SPREAD OVER SELECTED INTEREST RATE INDICES UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(in basis points)

	1988	1987
Spread Over Prime Rate Index		
Median	200	190
Mean	180	184
Spread Over Treasury Bill Index*		
Median	425	412
Mean	336	431

*Includes all types of Treasury Bills

Terms and Servicing

Exhibit 21
FREQUENCY OF INTEREST RATE ADJUSTMENTS ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
Daily	18%	3%
Monthly	61	68
Quarterly	15	12
Other	6	17

Exhibit 22
INITIAL RATES AND UPWARD ADJUSTMENT CAPS ON VARIABLE RATE HOME EQUITY LOANS

A. Percent of Institutions That Limit Annual Adjustments

	1988	1987
Yes	33%	N/A
No	67	N/A

B. Maximum Lifetime Adjustment (In Basis Points)

	1988	1987
Median	1,800	1,605
Mean	1,910	1,544

C. Interest Rate Cap Set A State's Usury Rate (Percent of Institutions)

	1988	1987
Yes	53%	N/A
No	47%	N/A

Exhibit 23
INTEREST RATE FLOORS ON VARIABLE RATE HOME EQUITY LOANS

A. Median Annual Interest Rate Floors (Percent of Institutions)

	1988	1987
Yes	20%	9%
No	80	91
Median Annual Floor Rate (%)	7.0	8.1

B. Median Lifetime Interest Rate Floor (Percent of Institutions)

	1988	1987
Yes	30%	20%
No	70	80
Median Lifetime Floor Rate (%)	8.0	8.0

Exhibit 24
PERIODIC CREDIT REVIEW PROCESS ON OUTSTANDING HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
A. Conduct Credit Review		
Yes	74%	78%
No	26	22
B. Frequency of Credit Review		
Monthly	0%	6%
Quarterly	2	0
Semi-annually	2	2
Yearly	56	55
Biennial	16	15
Triennial	11	11
Every 5 years	7	4
Other	6	6
C. Utilize Account Monitoring System		
Yes	44%	54%
No	56	46
D. Account Monitoring Systems		
Internal Bank Report	16%	N/A
TRW Monthly Signal	4	N/A
Delinquency	32	N/A
Computer Tickler	8	N/A
Collection Department	20	N/A
Other	20	N/A

N/A = Not Available

Exhibit 25
MOST FREQUENTLY USED ACCESS METHODS TO VARIABLE RATE OPEN-END HOME EQUITY LINES OF CREDIT*

Type of Access Methods	1988 Most Frequently Used	1988 Median Minimum Transaction Amounts
Credit Card	0%	$ 0
Checks	80	150
Bank Check	2	150
ATM	2	100
Telephone	8	30
Draft Account (Credit Union)	0	0
Overdraft Protection	2	100
Debit Cards	0	0
Personal Withdrawals at Branch	2	500
Other	4	750

* Multiple answers allowed

Terms and Servicing

Exhibit 26
PERCENT OF INSTITUTIONS THAT PERMIT INTEREST ONLY PAYMENTS

	1988	1987
Yes	32%	29%
No	68	71

Exhibit 27
DOLLAR AMOUNT OF DELINQUENT OPEN-END HOME EQUITY LINES*

	1988		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$161,648	$6,516,894	2.5%

	1987		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$10,253	$3,246,049	0.3%

* A delinquent account is one that is over 30 days past due.

Exhibit 28
DOLLAR AMOUNT OF FORECLOSURES ON OPEN-END HOME EQUITY LINES

	1988		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$48,568	$6,516,894	.7%

	1987		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$735	$3,246,049	.02%

Exhibit 29
DOLLAR AMOUNTS OF CHARGE-OFFS ON OPEN-END HOME EQUITY LINES

A. Gross Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$15,314	$6,516,894	.24%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$0	$3,246,049	0%

B. Net Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$4,562	$6,516,894	.07%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$0	$3,246,049	0%

Exhibit 30
OPEN-END HOME EQUITY LOANS OUTSTANDING WITH DEATH CLAIMS

	1988 Number of Death Claims	1987 Number of Death Claims
Median	2.0	0.015
Mean	2.1	0.029

Borrower Profile/Marketing

Exhibit 31
PRIMARY USES FOR HOME EQUITY CREDIT
(Percent of Institutions)

	1988	1987
Debt Consolidation	45%	N/A
Home Improvements	24	N/A
Tax Advantage	2	N/A
Consumer Purchase	3	N/A
Cash	3	N/A
Education	0	N/A
Investments	0	N/A
Other	23	N/A

Exhibit 32
BORROWER CHARACTERISTICS

A. Borrowers Average Age (Percentage of borrowers)

Age	1988	1987
20-34	14%	10%
35-49	55	50
50-64	27	25
65 and over	4	2

B. Other Demographics

	1988		
	Median	Mean	Range
Years in Current Job	8	9.0	5 to 20
Years of Home Ownership	10	9.4	3 to 20
Number of Dependents (including spouse)	3	2.9	1 to 4
Household Income	$40,000	$42,659	$20,000 to $100,000

	1987		
	Median	Mean	Range
Years in Current Job	10	9	3 to 20
Years of Home Ownership	10	10	3 to 20
Number of Dependents (including spouse)	3	3	1 to 5
Household Income	$40,008	$45,395	$25,000 to $150,000

Exhibit 33
BORROWER'S EQUITY IN HOME

	1988		
	Appraisal Value	First Mortgage	Available Equity
Median	$80,000	$30,000	$50,000
Mean	96,301	40,703	55,598

	1987		
	Appraisal Value	First Mortgage	Available Equity
Median	$77,066	$29,964	$47,102
Mean	98,353	35,882	62,471

Exhibit 34
INCREASE IN CURRENT LINE

A. Percent of Institutions Permitting Increase In Current Line

	1988	1987
Yes	85%	79%
No	15	21

B. Percent of Institutions Charging Additional Fees For Current Line

	1988	1987
Yes	87%	90%
No	13	10

C. Number of Increases in Current Line

	1988	1987
Median	5%	N/A
Mean	7	N/A

D. Dollar Increase in Current Line

	1988	1987
Median	$11,568	N/A
Mean	19,416	N/A

N/A = Not Available

Exhibit 35
IMPORTANCE OF MARKETING MEDIA*

	1988	1987
Newspaper	4.1	4.2
Direct Mail	3.5	4.0
Statement Stuffer	3.6	3.8
Television	1.8	2.2
Magazines	1.4	1.4
Radio	3.2	3.2
Cross Selling	4.8	4.6
Word of Mouth	4.3	4.2
Billboards	2.3	2.5
Brochures	3.4	3.5
Telemarketing	2.2	2.7
Realtor Referrals	2.2	2.2
Construction Co. Ref.	1.5	1.7
Employee Incentive	2.7	2.3
No or Low Closing Costs	3.9	4.2
Low Introductory Rates	2.2	2.2
Other	2.1	4.2

* Scale of 1 to 6 (where 1 is not important and 6 is very important).

N/A = Not Available

Exhibit 36
PRIMARY MARKETING MEDIUM
(Percent of Institutions)

	1988	1987
Newspaper	11%	25%
Direct Mail	8	12
Statement Stuffer	7	3
Television	2	4
Magazines	0	0
Radio	2	4
Cross Selling	23	22
Word of Mouth	13	4
Billboards	0	3
Brochures	3	0
Telemarketing	3	3
Realtor Referrals	2	0
Construction Co. Ref.	0	0
Employee Incentive	2	2
No or Low Closing Costs	15	13
Low Introductory Rates	0	0
Other	9	4

Exhibit 37
HOME EQUITY LOAN SECONDARY MARKET ACTIVITY
(Percent of Institutions)

A. Buy Loans in the Secondary Market

	1988	1987
Yes	0%	1%
No	100	99

B. Sell Loans in the Secondary Market

	1988	1987
Yes	0%	1%
No	100	99

Exhibit 38
SECURITIZATION OF HOME EQUITY LINES

A. Securitizing Home Equity Lines (Percent of Institutions)

	1988	1987
Yes	14%	N/A
No	86	N/A

B. Institutions Planning to Securitize in Coming Year (Percent of Institutions)

	1988	1987
Yes	10%	N/A
No	90	N/A

Exhibit 39
RETURN ON ASSETS AND GROWTH IN ASSETS

A. Return on Assets

	1988	1987
Median	1.1%	N/A
Mean	1.5	N/A

B. Growth in Assets From Year Earlier

	1988	1987
Median	6.0%	N/A
Mean	8.1	N/A

MEDIUM INSTITUTIONS

Exhibit 1
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

A. Total Consumer Credit Outstanding*

	1988		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$169,905,103	$1,000,000,000	17%
Mean	233,800,674	1,011,084,942	23

	1987		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$131,000,000	$956,000,000	14%
Mean	188,000,000	926,000,000	20

B. Total Delinquent** Consumer Credit*

	1988			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$2,782,224	506	$169,905,103	1.6%
Mean	5,134,796	1,633	233,800,674	2.2

	1987			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$1,946,066	N/A	$131,000,000	1%
Mean	6,416,587	N/A	188,000,000	3

* Excludes unsecured credit cards.
** Past due by more than 30 days.

Exhibit 1 (continued)
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

C. Consumer Credit* Charged Off

	1988			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$523,779	189	$169,905,103	.3%
Mean	1,311,257	303	233,800,674	.6

	1987			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$440,886	N/A	$131,000,000	.3%
Mean	1,280,837	N/A	188,000,000	.6

* Excludes unsecured credit cards.

Home Equity Loan Activity

Exhibit 2
TOTAL HOME EQUITY CREDIT

	1988	1987
Total Home Equity Credit	$7,054,499,950	$5,670,000,000
Total Consumer Credit	$18,236,000,000	$17,500,000,000
Percent	39%	32%

Exhibit 3
OPEN-END HOME EQUITY REVOLVING CREDIT LINES -- APPROVED AND OUTSTANDING

A. Approved Open-End Lines

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	1,061	$29,248,834	$27,567
Mean	1,605	47,191,264	29,403

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	1,015	$24,600,000	$24,236
Mean	1,400	42,800,000	30,571

B. Outstanding Open-End Lines

1988	Median	Mean
Amount Outstanding	$19,291,915	$26,584,645
Number of Outstanding Lines	959	1,479
Average Outstanding Line	$20,117	$17,975
1987		
Amount Outstanding	$14,800,000	$22,500,000
Number of Outstanding Lines	N/A	N/A
Average Outstanding Line	N/A	N/A

Exhibit 4
BEGINNING YEAR OF OPEN-END HOME EQUITY CREDIT LENDING
(Percent of Institutions)

Pre 1981	3%
1981	1
1982	3
1983	18
1984	17
1985	17
1986	22
1987	18
1988	1
1989	0

Exhibit 5
HOME EQUITY OPEN-END LINES OF CREDIT BOOKED

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	300	$11,447,970	$38,160
Mean	439	14,851,785	33,831

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	605	$14,300,000	$23,636
Mean	853	24,500,000	28,722

Exhibit 6
CLOSED-END HOME EQUITY LOANS OUTSTANDING

1988

	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	921	$ 9,901,277	$10,751
Mean	2,869	62,762,077	21,876

1987

	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	729	$10,200,000	$13,992
Mean	1,576	32,700,000	34,740

Home Equity Loan Activity

Exhibit 7
CLOSED-END HOME EQUITY LINES BOOKED IN 1988

	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	279	$ 3,975,912	$14,251
Mean	869	29,286,029	33,701

Exhibit 8
FIXED AND VARIABLE RATE HOME EQUITY LOANS OUTSTANDING

As a percent of total home equity credit:

	1988	1987
Total open-end fixed rate	2%	4%
Total open-end variable rate	98	96%

Home Equity Loan Activity

Exhibit 9
TOTAL HOME EQUITY LINES OF CREDIT -- MINIMUM AND MAXIMUM AMOUNTS

	Minimum Line Amount		Maximum Line Amount	
	1988	1987	1988	1987
Median	$5,000	$5,000	$100,000	$100,116
Mean	7,232	7,397	184,961	166,385

Exhibit 10

UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

A. Percent of Institutions Utilizing a Debt-to-Income Formula

1988	1987
93%	97%

B. Percent of Institutions Utilizing Debt-to-Income Formula on a Gross or Net Basis

	1988	1987
Gross	79%	74%
Net	21	26

C. Percentage Utilized in Gross Debt-to-Income Formula

	1988	1987
Median	38%	38%
Mean	38	37

D. Percentage Utilized in Net Debt-to-Income Formula

	1988	1987
Median	45%	44%
Mean	45	42

E. Percentage of Institutions Using a Firm Formula or a Guideline

	1988	1987
Firm	33%	39%
Guideline	67	61

Exhibit 10 (continued)
UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

F. Percentage of Institutions Utilizing Same Debt-to-Income Formula as for Other Consumer Loans

	1988	1987
Same formula	66%	60%
Different formula	34	40

G. If a Different Formula is Used for Home Equity Credit Than Consumer Loans, is That Formula:

	1988	1987
Higher	57%	42%
Lower	43	58

Exhibit 11
MAXIMUM LOAN-TO-VALUE RATIOS ON OWNER-OCCUPIED HOME EQUITY LOANS

	1988	1987
Median	75%	76%
Mean	77	77

Exhibit 12
METHODS UTILIZED IN APPROVING HOME EQUITY LOAN APPLICATIONS

A. Formal or Informal Scoring Techniques (Percent of Institutions)

	1988	1987
Credit Scoring	1%	4%
Judgment	88	83
Combination	11	13

B. Average Required Processing Time (days)

	1988	1987
Median	14	14
Mean	15	18

C. Percent of Approved Open-End Lines that Close

	1988	1987
Median	95%	95%
Mean	90	89

Exhibit 13
TYPES OF HOME EQUITY LOAN APPRAISAL METHODS
(Percent of Institutions)

	1988	1987
Full Appraisals	57%	54%
"Drive-By" Appraisals	28	32
Tax Assessments	11	11
Other	4	3

Exhibit 14
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

A. Title Insurance Requirement (Percent of Institutions)

	1988	1987
Always	21%	33%
Lines over $15,000	5	N/A
Lines over $25,000	1	5
Lines over $30,000	0	1
Lines over $35,000	1	1
Lines over $40,000	1	1
Lines over $50,000	6	7
Lines over $75,000	0	0
Lines over $100,000	4	1
First Mortgage	1	0
Other	16	7
Not Required	44	44

B. PMI Insurance Requirement (Percent of Institutions)

	1988	1987
Yes	1%	8%
No	99	92

C. Credit Life Insurance Offered (Percent of Institutions)

	1988	1987
Yes	61%	59%
No	39	41

D. Maximum Amount Insured

	1988	1987
Median	$50,000	$49,865
Mean	57,444	50,510

Exhibit 14 (continued)
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

E. Captive Insurance Company (Percent of Institutions)

	1988	1987
Yes	38%	32%
No	62	68

F. Percent of Applicants Taking Credit Life Insurance

	1988	1987
Median	19%	28%
Mean	23	30

Exhibit 15
AVAILABILITY OF NON-OWNER HOME EQUITY LOANS

A. Lend on Non-Owner Occupied Property (Percent of Institutions)

	1988	1987
Yes	69%	29%
No	31	71

B. Charge Higher Interest Rate [owner vs. non-owner] (Percent of Institutions)

	1988	1987
Yes	19%	18%
No	81	82

C. Average Difference in Interest Rate Charged (Basis Points)

	1988	1987
Median	50	N/A
Mean	67	N/A

D. Loan-to-Value Ratio for Non-Owner Occupied Homes

	1988	1987
Median	75%	75%
Mean	74	74

N/A = Not Available

Exhibit 16
AVAILABILITY OF HOME EQUITY LOANS ON CONDOMINIUMS AND CO-OPS
(Percent of Institutions)

A. Home Equity Loans on Condominiums

	1988	1987
Yes	84%	76%
No	16	24

B. Home Equity Loans on Co-ops

	1988	1987
Yes	15%	8%
No	85	92

Terms and Servicing

Exhibit 17
INSTITUTIONS CHARGING FEES ON HOME EQUITY LOANS*

	1988		1987	
	Percent of Institutions	Average Fee	Percent of Institutions	Average Fees
Annual Fees	36%	$ 34	30%	N/A
Application Fees	11	131	18	N/A
Appraisal Fees	60	126	82	N/A
Attorney Fees	14	165	38	N/A
Closing Fees	6	137	18	N/A
Credit Check Fees	10	11	10	N/A
Loan Set-Up Fees	10	115	2	N/A
Mortgage Tax	4	425	14	N/A
Points	0	0	7	N/A
Property Report	18	47	27	N/A
Recording Fees	59	19	79	N/A
Subordination Fees	2	25	10	N/A
Title Insurance	21	246	49	N/A
Title Search Fees	21	94	52	N/A
Unused Commitment Fee	1	150	N/A	N/A
Other Fees	13	131	11	N/A

* Multiple answers allowed

Exhibit 18
INTEREST RATE INDEX UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
The Wall Street Journal Prime Rate	46%	41%
A Bank Prime Rate	32	0
30 day Treasury Bill Rate	N/A	0
90 day Treasury Bill Rate	8	11
6 month Treasury Bill Rate	9	7
52 week Treasury Bill Rate	1	0
Other	4	11

Terms and Servicing

Exhibit 19
CAN HOME EQUITY LINES BE CONVERTED FROM VARIABLE TO FIXED RATE

	1988	1987
Yes	25%	N/A
No	75	N/A

Exhibit 20
SPREAD OVER SELECTED INTEREST RATE INDICES UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(in basis points)

	1988	1987
Spread Over Prime Rate Index		
Median	200	196
Mean	186	182
Spread Over Treasury Bill Index*		
Median	400	401
Mean	407	407

*Includes all types of Treasury Bills

Terms and Servicing

Exhibit 21
FREQUENCY OF INTEREST RATE ADJUSTMENTS ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
Daily	9%	2%
Monthly	68	67
Quarterly	19	22
Other	4	9

Exhibit 22
INITIAL RATES AND UPWARD ADJUSTMENT CAPS ON VARIABLE RATE HOME EQUITY LOANS

A. Percent of Institutions That Limit Annual Adjustments

	1988	1987
Yes	25%	2%
No	75%	98

B. Maximum Lifetime Adjustment

	1988	1987
Median	18%	18%
Mean	18%	16%

C. Interest Rate Cap Set A State's Usury Rate (Percent of Institutions)

	1988	1987
Yes	46%	N/A
No	54%	N/A

Exhibit 23
INTEREST RATE FLOORS ON VARIABLE RATE HOME EQUITY LOANS

A. Median Annual Interest Rate Floors (Percent of Institutions)

	1988	1987
Yes	10%	11%
No	90	89
Median Annual Floor Rate (%)	8.0	8.8

B. Median Lifetime Interest Rate Floor (Percent of Institutions)

	1988	1987
Yes	19%	21%
No	81	79
Median Lifetime Floor Rate (%)	8.25	8.0

Exhibit 24

PERIODIC CREDIT REVIEW PROCESS ON OUTSTANDING HOME EQUITY LOANS

(Percent of Institutions)

	1988	1987
A. Conduct Credit Review		
Yes	78%	74%
No	22	26
B. Frequency of Credit Review		
Monthly	5%	N/A
Quarterly	3	2
Semi-annually	1	N/A
Yearly	36	45
Biennial	21	30
Triennial	18	10
Every 5 years	4	0
Other	12	13
C. Utilize Account Monitoring System		
Yes	49%	47%
No	51	53
D. Account Monitoring Systems		
Internal Report	21%	N/A
TRW Monthly Signal	12	N/A
Delinquency	15	N/A
Computer Tickler	6	N/A
Collection Department	18	N/A
Other	28	N/A

N/A = Not Available

Exhibit 25
MOST FREQUENTLY USED ACCESS METHODS TO VARIABLE RATE OPEN-END HOME EQUITY LINES OF CREDIT*

Type of Access Methods	1988 Most Frequently Used	1988 Median Minimum Transaction Amounts
Credit Card	1%	$400
Checks	83	250
Bank Check	1	100
ATM	0	30
Telephone	0	10
Draft Account (Credit Union)	3	5
Overdraft Protection	1	75
Debit Cards	0	175
Personal Withdrawals at Branch	3	100
Other	8	N/A

* Multiple answers allowed

Terms and Servicing

Exhibit 26
PERCENT OF INSTITUTIONS THAT PERMIT INTEREST ONLY PAYMENTS

	1988	1987
Yes	35%	33%
No	65	67

Exhibit 27
DOLLAR AMOUNT OF DELINQUENT OPEN-END HOME EQUITY LINES*

	1988 Dollar Amount Delinquent	1988 Average Home Equity Credit	1988 Percent
Mean	$352,808	$26,584,645	1.3%

	1987 Dollar Amount Delinquent	1987 Average Home Equity Credit	1987 Percent
Mean	$101,377	$22,500,000	.4%

* A delinquent account is one that is over 30 days past due.

Exhibit 28
DOLLAR AMOUNT OF FORECLOSURES ON OPEN-END HOME EQUITY LINES

	1988		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$98,253	$26,584,645	.4%

	1987		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$7,225	$22,500,000	0%

Exhibit 29
DOLLAR AMOUNTS OF CHARGE-OFFS ON OPEN-END HOME EQUITY LINES

A. Gross Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$58,752	$26,584,645	.22%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$2,290	$22,500,000	0%

B. Net Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$45,194	$26,584,645	.17%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$1,267	$22,500,000	0%

Exhibit 30
OPEN-END HOME EQUITY LOANS OUTSTANDING WITH DEATH CLAIMS

	1988 Number of Death Claims	1987 Number of Death Claims
Median	2.0	.1
Mean	2.4	.4

Borrower Profile/Marketing

Exhibit 31
PRIMARY USES FOR HOME EQUITY CREDIT
(Percent of Institutions)

	1988	1987
Debt Consolidation	37%	52%
Home Improvements	24	35
Tax Advantage	0	N/A
Consumer Purchase	1	N/A
Cash	5	N/A
Education	1	1
Investments	1	0
Other	31	12

Exhibit 32
BORROWER CHARACTERISTICS

A. Borrowers Average Age (Percentage of borrowers)

Age	1988	1987
20-34	15%	15%
35-49	52	54
50-64	28	25
65 and over	5	6

B. Other Demographics

	1988		
	Median	Mean	Range
Years in Current Job	9	9.1	3 to 16
Years of Home Ownership	10	10.3	3 to 45
Number of Dependents (including spouse)	3	3.1	2 to 4
Household Income	$45,000	$47,979	$22,000 to $150,000

	1987		
	Median	Mean	Range
Years in Current Job	7.5	8	3 to 16
Years of Home Ownership	9.2	8.9	4 to 15
Number of Dependents (including spouse)	2.9	2.9	2 to 5
Household Income	$41,939	$44,490	$25,000 to $118,311

Exhibit 33
BORROWER'S EQUITY IN HOME

	1988 Appraisal Value	1988 First Mortgage	1988 Available Equity
Median	$ 95,000	$40,000	$55,000
Mean	126,839	51,969	74,870

	1987 Appraisal Value	1987 First Mortgage	1987 Available Equity
Median	$ 80,101	$35,133	$44,968
Mean	104,084	38,965	65,119

Exhibit 34

INCREASE IN CURRENT LINE

A. Percent of Institutions Permitting Increase In Current Line

	1988	1987
Yes	95%	91%
No	5	9

B. Percent of Institutions Charging Additional Fees For Current Line

	1988	1987
Yes	84%	93%
No	16	7

C. Number of Increases in Current Line

	1988	1987
Median	15%	N/A
Mean	43	N/A

D. Dollar Increase in Current Line

	1988	1987
Median	$10,500	N/A
Mean	19,234	N/A

N/A = Not Available

Exhibit 35
IMPORTANCE OF MARKETING MEDIA*

	1988	1987
Newspaper	4.6	4.6
Direct Mail	4.2	4.2
Statement Stuffer	3.8	3.8
Television	1.9	2.6
Magazines	1.3	1.5
Radio	2.6	2.9
Cross Selling	4.9	4.6
Word of Mouth	4.2	4.3
Billboards	2.1	2.1
Brochures	3.8	3.6
Telemarketing	2.7	2.8
Realtor Referrals	2.2	1.7
Construction Co. Ref.	1.6	1.5
Employee Incentive	2.9	3.0
No or Low Closing Costs	4.2	4.5
Low Introductory Rates	2.5	3.0
Other	1.4	3.8

* Scale of 1 to 6 (where 1 is not important and 6 is very important).
N/A=Not Available

Exhibit 36
PRIMARY MARKETING MEDIUM
(Percent of Institutions)

	1988	1987
Newspaper	28%	22%
Direct Mail	15	21
Statement Stuffer	6	2
Television	0	2
Magazines	0	0
Radio	0	2
Cross Selling	12	18
Word of Mouth	1	3
Billboards	0	1
Brochures	3	2
Telemarketing	8	2
Realtor Referrals	0	1
Construction Co. Ref.	0	0
Employee Incentive	5	2
No or Low Closing Costs	16	15
Low Introductory Rates	1	6
Other	5	0

Borrower Profile/Marketing

Exhibit 37
HOME EQUITY LOAN SECONDARY MARKET ACTIVITY
(Percent of Institutions)

A. Buy Loans in the Secondary Market

	1988	1987
Yes	2%	1%
No	98	99

B. Sell Loans in the Secondary Market

	1988	1987
Yes	0%	1%
No	100	99

Exhibit 38
SECURITIZATION OF HOME EQUITY LINES

A. Securitizing Home Equity Lines (Percent of Institutions)

	1988	1987
Yes	8%	N/A
No	92	N/A

B. Institutions Not Currently Securitizing, That Are Planning to Securitize in Coming Year (Percent of Institutions)

	1988	1987
Yes	3%	N/A
No	97	N/A

Exhibit 39
RETURN ON ASSETS AND GROWTH IN ASSETS

A. Return on Assets

	1988	1987
Median	1.10%	N/A
Mean	1.05	N/A

B. Growth in Assets From Year Earlier

	1988	1987
Median	7.97%	N/A
Mean	9.00	N/A

LARGE INSTITUTIONS

Exhibit 1
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

A. Total Consumer Credit Outstanding*

	1988		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$580,811,094	$ 5,090,623,000	11%
Mean	998,833,675	10,120,000,000	10

	1987		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$ 518,000,000	$ 5,400,000,000	10%
Mean	1,100,000,000	10,600,000,000	10

B. Total Delinquent** Consumer Credit*

	1988			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$ 8,698,810	1,316	$580,811,094	1.5%
Mean	20,409,887	4,241	998,833,675	2.0

	1987			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$ 6,058,498	N/A	$ 518,000,000	1.2%
Mean	16,500,000	N/A	1,100,000,000	1.5

* Excludes unsecured credit cards.
** Past due by more than 30 days.

Exhibit 1 (continued)
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

C. Consumer Credit* Charged Off

	1988			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$2,532,920	927	$580,811,094	.4%
Mean	4,465,014	1,442	998,833,675	.4

	1987			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$ 817	N/A	$ 518,000,000	.0002%
Mean	21,840	N/A	1,100,000,000	.002

* Excludes unsecured credit cards.

Home Equity Loan Activity

Exhibit 2
TOTAL HOME EQUITY CREDIT

	1988	1987
Total Home Equity Credit	$27,811,893,312	$15,500,000,000
Total Consumer Credit	$71,916,000,000	$87,900,000,000
Percent	39%	18%

Exhibit 3
OPEN-END HOME EQUITY REVOLVING CREDIT LINES -- APPROVED AND OUTSTANDING

A. Approved Open-End Lines

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	5,399	$180,358,473	$33,406
Mean	8,027	309,812,955	38,596

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	3,500	$123,000,000	$35,143
Mean	5,637	196,000,000	34,770

B. Outstanding Open-End Lines

1988	Median	Mean
Amount Outstanding	$99,047,835	$166,051,810
Number of Outstanding Lines	4,571	6,386
Average Outstanding Line	$21,669	$26,002
1987		
Amount Outstanding	$60,500,000	$93,800,000
Number of Outstanding Lines	N/A	N/A
Average Outstanding Line	N/A	N/A

Exhibit 4
BEGINNING YEAR OF OPEN-END HOME EQUITY CREDIT LENDING
(Percent of Institutions)

Pre 1981	0%
1981	6
1982	7
1983	27
1984	19
1985	18
1986	19
1987	4
1988	0
1989	0

Exhibit 5
HOME EQUITY OPEN-END LINES OF CREDIT BOOKED

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	1,413	$ 54,799,950	$38,783
Mean	2,546	112,389,024	44,143

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	1,712	$57,800,000	$33,762
Mean	2,389	90,700,000	37,966

Exhibit 6
CLOSED-END HOME EQUITY LOANS OUTSTANDING

	1988		
	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	2,142	$ 35,778,000	$16,703
Mean	4,333	100,088,969	23,099

	1987		
	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	2,544	$44,100,000	$17,335
Mean	4,564	96,500,000	21,144

Home Equity Loan Activity

Exhibit 7
CLOSED-END HOME EQUITY LINES BOOKED IN 1988

	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	561	$14,261,000	$25,421
Mean	1,294	35,310,864	27,288

Exhibit 8
FIXED AND VARIABLE RATE HOME EQUITY LOANS OUTSTANDING

As a percent of total home equity credit:

	1988	1987
Total open-end fixed rate	2%	2%
Total open-end variable rate	98	98%

Home Equity Loan Activity

Exhibit 9
TOTAL HOME EQUITY LINES OF CREDIT -- MINIMUM AND MAXIMUM AMOUNTS

	Minimum Line Amount		Maximum Line Amount	
	1988	1987	1988	1987
Median	$7,500	$7,488	$250,000	$1,979,000
Mean	7,795	7,807	296,887	284,583

Exhibit 10

UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

A. Percent of Institutions Utilizing a Debt-to-Income Formula

1988	1987
96%	94%

B. Percent of Institutions Utilizing Debt-to-Income Formula on a Gross or Net Basis

	1988	1987
Gross	78%	76%
Net	22	24

C. Percentage Utilized in Gross Debt-to-Income Formula

	1988	1987
Median	36%	36%
Mean	38	38

D. Percentage Utilized in Net Debt-to-Income Formula

	1988	1987
Median	40%	45%
Mean	42	44

E. Percentage of Institutions Using a Firm Formula or a Guideline

	1988	1987
Firm	35%	24%
Guideline	65	76

Exhibit 10 (continued)
UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

F. Percentage of Institutions Utilizing Same Debt-to-Income Formula as for Other Consumer Loans

	1988	1987
Same formula	53%	57%
Different formula	47	43

G. If a Different Formula is Used for Home Equity Credit Than Consumer Loans, is That Formula:

	1988	1987
Higher	38%	27%
Lower	62	73

Application/Approval Process

Exhibit 11
MAXIMUM LOAN-TO-VALUE RATIOS ON OWNER-OCCUPIED HOME EQUITY LOANS

	1988	1987
Median	80%	76%
Mean	77	77

Exhibit 12
METHODS UTILIZED IN APPROVING HOME EQUITY LOAN APPLICATIONS

A. Formal or Informal Scoring Techniques (Percent of Institutions)

	1988	1987
Credit Scoring	1%	0%
Judgment	85	81
Combination	14	19

B. Average Required Processing Time (days)

	1988	1987
Median	15	15
Mean	20	19

C. Percent of Approved Open-End Lines that Close

	1988	1987
Median	87%	90%
Mean	82	85

Application/Approval Process

Exhibit 13
TYPES OF HOME EQUITY LOAN APPRAISAL METHODS
(Percent of Institutions)

	1988	1987
Full Appraisals	55%	61%
"Drive-By" Appraisals	27	27
Tax Assessments	17	10
Other	1	2

Exhibit 14
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

A. Title Insurance Requirement (Percent of Institutions)

	1988	1987
Always	23%	36%
Lines over $15,000	0	N/A
Lines over $25,000	0	4
Lines over $30,000	6	2
Lines over $35,000	0	1
Lines over $40,000	0	13
Lines over $50,000	11	0
Lines over $75,000	1	4
Lines over $100,000	10	3
First Mortgage	3	0
Other	15	5
Not Required	31	32

B. PMI Insurance Requirement (Percent of Institutions)

	1988	1987
Yes	6%	3%
No	94	97

C. Credit Life Insurance Offered (Percent of Institutions)

	1988	1987
Yes	72%	67%
No	28	33

D. Maximum Amount Insured

	1988	1987
Median	$50,000	$49,783
Mean	51,429	54,245

Exhibit 14 (continued)
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

E. Captive Insurance Company (Percent of Institutions)

	1988	1987
Yes	43%	30%
No	57	70

F. Percent of Applicants Taking Credit Life Insurance

	1988	1987
Median	21%	25%
Mean	22	27

Exhibit 15
AVAILABILITY OF NON-OWNER HOME EQUITY LOANS

A. Lend on Non-Owner Occupied Property (Percent of Institutions)

	1988	1987
Yes	41%	37%
No	59	63

B. Charge Higher Interest Rate [owner vs. non-owner] (Percent of Institutions)

	1988	1987
Yes	20%	25%
No	80	75

C. Average Difference in Interest Rate Charged (Basis Points)

	1988	1987
Median	140	N/A
Mean	145	N/A

D. Loan-to-Value Ratio for Non-Owner Occupied Homes

	1988	1987
Median	70%	73%
Mean	72	72

N/A = Not Available

Application/Approval Process

Exhibit 16
AVAILABILITY OF HOME EQUITY LOANS ON CONDOMINIUMS AND CO-OPS
(Percent of Institutions)

A. Home Equity Loans on Condominiums

	1988	1987
Yes	93%	86%
No	7	14

B. Home Equity Loans on Co-ops

	1988	1987
Yes	10%	10%
No	90	90

Terms and Servicing

Exhibit 17
INSTITUTIONS CHARGING FEES ON HOME EQUITY LOANS*

	1988		1987	
	Percent of Institutions	Average Fee	Percent of Institutions	Average Fees
Annual Fees	23%	$ 38	34%	N/A
Application Fees	16	174	15	N/A
Appraisal Fees	62	175	77	N/A
Attorney Fees	18	182	25	N/A
Closing Fees	5	93	19	N/A
Credit Check Fees	13	19	18	N/A
Loan Set-Up Fees	5	146	11	N/A
Mortgage Tax	5	413	18	N/A
Points	3	150	15	N/A
Property Report	4	165	18	N/A
Recording Fees	49	43	72	N/A
Subordination Fees	4	28	13	N/A
Title Insurance	19	314	64	N/A
Title Search Fees	20	89	52	N/A
Unused Commitment Fee	1	100	N/A	N/A
Other Fees	12	195	8	N/A

* Multiple answers allowed

Exhibit 18
INTEREST RATE INDEX UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
The Wall Street Journal Prime Rate	54%	46%
A Bank Prime Rate	26	31
30 day Treasury Bill Rate	1	3
90 day Treasury Bill Rate	6	4
6 month Treasury Bill Rate	4	4
52 week Treasury Bill Rate	0	0
Other	9	12

Terms and Servicing

Exhibit 19
CAN HOME EQUITY LINES BE CONVERTED FROM VARIABLE TO FIXED RATE

	1988	1987
Yes	31%	N/A
No	69	N/A

Exhibit 20
SPREAD OVER SELECTED INTEREST RATE INDICES UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(in basis points)

	1988	1987
Spread Over Prime Rate Index		
Median	175	200
Mean	180	185
Spread Over Treasury Bill Index*		
Median	400	433
Mean	384	418

*Includes all types of Treasury Bills

Terms and Servicing

Exhibit 21
FREQUENCY OF INTEREST RATE ADJUSTMENTS ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
Daily	8%	0%
Monthly	63	77
Quarterly	19	10
Other	10	13

Exhibit 22
INITIAL RATES AND UPWARD ADJUSTMENT CAPS ON VARIABLE RATE HOME EQUITY LOANS

A. Percent of Institutions That Limit Annual Adjustments

	1988	1987
Yes	32%	67%
No	68%	33

B. Maximum Lifetime Adjustment

	1988	1987
Median	18%	15%
Mean	18%	13%

C. Interest Rate Cap Set A State's Usury Rate (Percent of Institutions)

	1988	1987
Yes	46%	N/A
No	54%	N/A

Exhibit 23
INTEREST RATE FLOORS ON VARIABLE RATE HOME EQUITY LOANS

A. Median Annual Interest Rate Floors (Percent [illegible] Institutions)

	1988	1987
Yes	14%	9%
No	86	81
Median Annual Floor Rate (%)	9.0	8.3

B. Median Lifetime Interest Rate Floor (Percent of Institutions)

	1988	1987
Yes	18%	20%
No	82	80
Median Lifetime Floor Rate (%	9.0	9.0

Exhibit 24
PERIODIC CREDIT REVIEW PROCESS ON OUTSTANDING HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
A. Conduct Credit Review		
Yes	62%	63%
No	38	37
B. Frequency of Credit Review		
Monthly	12%	8
Quarterly	5	4
Semi-annually	5	4
Yearly	35	38
Biennial	14	8
Triennial	14	16
Every 5 years	7	6
Other	8	16
C. Utilize Account Monitoring System		
Yes	56%	48%
No	44	52
D. Account Monitoring Systems		
Internal Report	3%	N/A
TRW Monthly Signal	30	N/A
Delinquency	16	N/A
Computer Tickler	8	N/A
Collection Department	8	N/A
Other	33	N/A

N/A = Not Available

Exhibit 25

MOST FREQUENTLY USED ACCESS METHODS TO VARIABLE RATE OPEN-END HOME EQUITY LINES OF CREDIT*

Type of Access Methods	1988 Most Frequently Used	 Median Minimum Transaction Amounts
Credit Card	0%	$100
Checks	91	250
Bank Check	1	250
ATM	0	55
Telephone	1	15
Draft Account (Credit Union)	0	0
Overdraft Protection	0	100
Debit Cards	0	0
Personal Withdrawals at Branch	0	250
Other	7	400

* Multiple answers allowed

Terms and Servicing

Exhibit 26

PERCENT OF INSTITUTIONS THAT PERMIT INTEREST ONLY PAYMENTS

	1988	1987
Yes	56%	58%
No	44	42

Exhibit 27
DOLLAR AMOUNT OF DELINQUENT OPEN-END HOME EQUITY LINES*

	1988		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$1,893,835	$16,605,810	1.1%

	1987		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$576,535	$93,800,000	0.6%

* A delinquent account is one that is over 30 days past due.

Exhibit 28
DOLLAR AMOUNT OF FORECLOSURES ON OPEN-END HOME EQUITY LINES

	1988		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$218,143	$166,051,810	1%

	1987		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$29,489	$93,800,000	0.03%

Exhibit 29
DOLLAR AMOUNTS OF CHARGE-OFFS ON OPEN-END HOME EQUITY LINES

A. Gross Charge-Offs

1988

	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$182,657	$166,051,810	.11%

1987

	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$12,287	$93,800,000	0.01%

B. Net Charge-Offs

1988

	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$149,447	$166,051,810	.09%

1987

	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$2,617	$93,800,000	0.003%

Exhibit 30
OPEN-END HOME EQUITY LOANS OUTSTANDING WITH DEATH CLAIMS

	1988 Number of Death Claims	1987 Number of Death Claims
Median	2.0	0.18
Mean	5.2	1.56

Borrower Profile/Marketing

Exhibit 31
PRIMARY USES FOR HOME EQUITY CREDIT
(Percent of Institutions)

	1988	1987
Debt Consolidation	38%	N/A
Home Improvements	25	N/A
Tax Advantage	4	N/A
Consumer Purchase	3	N/A
Cash	3	N/A
Education	0	N/A
Investments	0	N/A
Other	27	N/A

Exhibit 32
BORROWER CHARACTERISTICS

A. Borrowers Average Age (Percentage of borrowers)

Age	1988	1987
20-34	14%	12%
35-49	47	54
50-64	32	27
65 and over	7	7

B. Other Demographics

	1988		
	Median	Mean	Range
Years in Current Job	10.0	9.1	2 to 15
Years of Home Ownership	10.0	9.7	4 to 40
Number of Dependents (including spouse)	3.0	2.9	1 to 4
Household Income	$50,000	$52,946	$25,000 to $101,712

	1987		
	Median	Mean	Range
Years in Current Job	8	9	3 to 19
Years of Home Ownership	10	10	3 to 20
Number of Dependents (including spouse)	3	3	2 to 5
Household Income	$43,000	$48,409	$23,600 to $100,000

Exhibit 33
BORROWER'S EQUITY IN HOME

	1988		
	Appraisal Value	First Mortgage	Available Equity
Median	$110,000	$40,000	$70,000
Mean	135,277	63,036	72,241

	1987		
	Appraisal Value	First Mortgage	Available Equity
Median	$100,000	$40,174	$59,826
Mean	124,182	47,973	76,209

Exhibit 34
INCREASE IN CURRENT LINE

A. Percent of Institutions Permitting Increase In Current Line

	1988	1987
Yes	93%	90%
No	7	10

B. Percent of Institutions Charging Additional Fees For Current Line

	1988	1987
Yes	82%	85%
No	18	15

C. Number of Increases in Current Line

	1988	1987
Median	97	N/A
Mean	223	N/A

D. Dollar Increase in Current Line

	1988	1987
Median	$15,000	N/A
Mean	16,134	N/A

N/A = Not Available

Exhibit 35
IMPORTANCE OF MARKETING MEDIA*

	1988	1987
Newspaper	4.5	4.3
Direct Mail	4.4	4.4
Statement Stuffer	3.3	3.5
Television	2.3	2.6
Magazines	1.8	1.8
Radio	2.6	2.8
Cross Selling	4.4	4.3
Word of Mouth	3.8	3.7
Billboards	1.6	2.0
Brochures	3.7	3.5
Telemarketing	3.1	3.4
Realtor Referrals	1.6	1.9
Construction Co. Ref.	1.4	1.5
Employee Incentive	3.1	3.3
No or Low Closing Costs	4.7	4.1
Low Introductory Rates	3.0	2.8
Other	1.0	1.7

* Scale of 1 to 6 (where 1 is not important and 6 is very important).
N/A=Not Available

Exhibit 36
PRIMARY MARKETING MEDIUM
(Percent of Institutions)

	1988	1987
Newspaper	19%	32%
Direct Mail	26	24
Statement Stuffer	0	1
Television	3	1
Magazines	0	0
Radio	1	0
Cross Selling	7	10
Word of Mouth	0	1
Billboards	0	1
Brochures	0	0
Telemarketing	0	4
Realtor Referrals	0	0
Construction Co. Ref.	0	0
Employee Incentive	4	4
No or Low Closing Costs	29	17
Low Introductory Rates	1	3
Other	10	3

Exhibit 37
HOME EQUITY LOAN SECONDARY MARKET ACTIVITY
(Percent of Institutions)

A. Buy Loans in the Secondary Market

	1988	1987
Yes	4%	1%
No	96	99

B. Sell Loans in the Secondary Market

	1988	1987
Yes	3%	1%
No	97	99

Exhibit 38

SECURITIZATION OF HOME EQUITY LINES

A. Securitizing Home Equity Lines (Percent of Institutions)

	1988	1987
Yes	4%	N/A
No	96	N/A

B. Institutions Not Currently Securitizing, That Are Planning to Securitize in Coming Year (Percent of Institutions)

	1988	1987
Yes	5%	N/A
No	95	N/A

Exhibit 39
RETURN ON ASSETS AND GROWTH IN ASSETS

A. Return on Assets

	1988	1987
Median	1.07%	N/A
Mean	1.25	N/A

B. Growth in Assets From Year Earlier

	1988	1987
Median	8.0%	N/A
Mean	9.0	N/A

COMMERCIAL BANKS

Exhibit 1
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

A. Total Consumer Credit Outstanding*

	1988		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$170,109,947	$1,032,398,000	16%
Mean	448,055,259	4,142,618,329	11

	1987		
	Consumer Credit Outstanding	Total Assets	Percent
Median	$126,000,000	$ 867,000,000	15%
Mean	438,000,000	3,920,000,000	11

B. Total Delinquent** Consumer Credit*

	1988			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$2,873,850	609	$170,109,947	1.7%
Mean	$9,345,301	2,076	448,055,259	2.1

	1987			
	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$1,884,655	N/A	$126,000,000	1.5%
Mean	5,571,529	N/A	438,000,000	1.3

* Excludes unsecured credit cards.
** Past due by more than 30 days.

Exhibit 1 (continued)
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

C. Consumer Credit* Charged Off

	1988			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$ 570,312	236	$170,109,947	.3%
Mean	2,004,355	680	448,055,259	.4

	1987			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$400,064	N/A	$126,000,000	.3%
Mean	1,529,493	N/A	438,000,000	.3

* Excludes unsecured credit cards.

Home Equity Loan Activity

Exhibit 2
TOTAL HOME EQUITY CREDIT

	1988	1987
Total Home Equity Credit	$28,578,823,840	$16,244,000,000
Total Consumer Credit	$79,754,000,000	$90,200,000,000
Percent	36%	17%

Exhibit 3
OPEN-END HOME EQUITY REVOLVING CREDIT LINES -- APPROVED AND OUTSTANDING

A. Approved Open-End Lines

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	1,190	$ 36,092,000	$30,329
Mean	3,506	129,923,757	37,058

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	828	$22,100,000	$26,691
Mean	2,321	76,300,000	32,874

B. Outstanding Open-End Lines

1988	Median	Mean
Amount Outstanding	$22,845,707	$68,444,846
Number of Outstanding Lines	1,031	2,726
Average Outstanding Line	$22,159	$25,108
1987		
Amount Outstanding	$12,800,000	$36,600,000
Number of Outstanding Lines	N/A	N/A
Average Outstanding Line	N/A	N/A

Exhibit 4
BEGINNING YEAR OF OPEN-END HOME EQUITY CREDIT LENDING
(Percent of Institutions)

Pre 1981	0%
1981	2
1982	3
1983	16
1984	17
1985	17
1986	24
1987	20
1988	1
1989	0

Home Equity Loan Activity

Exhibit 5
HOME EQUITY OPEN-END LINES OF CREDIT BOOKED

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	319	$10,401,000	$32,605
Mean	1,111	46,143,139	41,533

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	560	$12,800,000	$22,857
Mean	1,097	38,600,000	35,187

Exhibit 6
CLOSED-END HOME EQUITY LOANS OUTSTANDING

	1988		
	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	787	$10,037,000	$12,753
Mean	2,469	51,209,393	20,741

	1987		
	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	536	$ 8,202,934	$15,304
Mean	1,918	39,200,000	20,438

Home Equity Loan Activity

Exhibit 7
CLOSED-END HOME EQUITY LINES BOOKED IN 1988

	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	219	$ 4,007,107	$18,297
Mean	791	19,672,628	24,871

Exhibit 8
FIXED AND VARIABLE RATE HOME EQUITY LOANS OUTSTANDING

As a percent of total home equity credit:

	1988	1987
Total open-end fixed rate	1%	1%
Total open-end variable rate	99	99%

Home Equity Loan Activity

Exhibit 9
TOTAL HOME EQUITY LINES OF CREDIT -- MINIMUM AND MAXIMUM AMOUNTS

	Minimum Line Amount		Maximum Line Amount	
	1988	1987	1988	1987
Median	$5,000	$5,000	$100,000	$100,291
Mean	7,472	7,387	235,161	281,421

Exhibit 10
UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

A. Percent of Institutions Utilizing a Debt-to-Income Formula

1988	1987
92%	93%

B. Percent of Institutions Utilizing Debt-to-Income Formula on a Gross or Net Basis

	1988	1987
Gross	72%	74%
Net	28	26

C. Percentage Utilized in Gross Debt-to-Income Formula

	1988	1987
Median	36%	36%
Mean	37	37

D. Percentage Utilized in Net Debt-to-Income Formula

	1988	1987
Median	40%	41%
Mean	43	43

E. Percentage of Institutions Using a Firm Formula or a Guideline

	1988	1987
Firm	32%	31%
Guideline	68	69

Exhibit 10 (continued)
UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

F. Percentage of Institutions Utilizing Same Debt-to-Income Formula as for Other Consumer Loans

	1988	1987
Same formula	63%	61%
Different formula	37	39

G. If a Different Formula is Used for Home Equity Credit Than Consumer Loans, is That Formula:

	1988	1987
Higher	43%	27%
Lower	57	73

Application/Approval Process

Exhibit 11
MAXIMUM LOAN-TO-VALUE RATIOS ON OWNER-OCCUPIED HOME EQUITY LOANS

	1988	1987
Median	75%	77%
Mean	77	77

Exhibit 12
METHODS UTILIZED IN APPROVING HOME EQUITY LOAN APPLICATIONS

A. Formal or Informal Scoring Techniques (Percent of Institutions)

	1988	1987
Credit Scoring	2%	2%
Judgment	84	82
Combination	14	16

B. Average Required Processing Time (days)

	1988	1987
Median	14	14
Mean	17	17

C. Percent of Approved Open-End Lines that Close

	1988	1987
Median	95%	95%
Mean	89	88

Application/Approval Process

Exhibit 13
TYPES OF HOME EQUITY LOAN APPRAISAL METHODS
(Percent of Institutions)

	1988	1987
Full Appraisals	60%	58%
"Drive-By" Appraisals	26	27
Tax Assessments	12	11
Other	2	4

Exhibit 14
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

A. Title Insurance Requirement (Percent of Institutions)

	1988	1987
Always	27%	35%
Lines over $15,000	2	N/A
Lines over $25,000	1	6
Lines over $30,000	3	2
Lines over $35,000	0	0
Lines over $40,000	0	1
Lines over $50,000	7	8
Lines over $75,000	1	1
Lines over $100,000	5	1
First Mortgage	2	2
Other	13	3
Not Required	39	41

B. PMI Insurance Requirement (Percent of Institutions)

	1988	1987
Yes	3%	5%
No	97	95

C. Credit Life Insurance Offered (Percent of Institutions)

	1988	1987
Yes	63%	63%
No	37	37

D. Maximum Amount Insured

	1988	1987
Median	$50,000	$49,932
Mean	55,625	50,789

Exhibit 14 (continued)
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

E. Captive Insurance Company (Percent of Institutions)

	1988	1987
Yes	38%	21%
No	62	79

F. Percent of Applicants Taking Credit Life Insurance

	1988	1987
Median	20%	20%
Mean	24	26

Exhibit 15
AVAILABILITY OF NON-OWNER HOME EQUITY LOANS

A. Lend on Non-Owner Occupied Property (Percent of Institutions)

	1988	1987
Yes	33%	28%
No	67	72

B. Charge Higher Interest Rate [owner vs. non-owner] (Percent of Institutions)

	1988	1987
Yes	16%	16%
No	84	84

C. Average Difference in Interest Rate Charged (Basis Points)

	1988	1987
Median	100	N/A
Mean	98	N/A

D. Loan-to-Value Ratio for Non-Owner Occupied Homes

	1988	1987
Median	75%	75%
Mean	74	73

N/A = Not Available

Exhibit 16
AVAILABILITY OF HOME EQUITY LOANS ON CONDOMINIUMS AND CO-OPS
(Percent of Institutions)

A. Home Equity Loans on Condominiums

	1988	1987
Yes	80%	71%
No	20	29

B. Home Equity Loans on Co-ops

	1988	1987
Yes	12%	9%
No	88	91

Terms and Servicing

Exhibit 17
INSTITUTIONS CHARGING FEES ON HOME EQUITY LOANS*

	1988		1987	
	Percent of Institutions	Average Fee	Percent of Institutions	Average Fees
Annual Fees	26%	$ 33	34%	N/A
Application Fees	16	139	16	N/A
Appraisal Fees	63	142	80	N/A
Attorney Fees	20	167	30	N/A
Closing Fees	3	142	17	N/A
Credit Check Fees	7	13	10	N/A
Loan Set-Up Fees	5	125	3	N/A
Mortgage Tax	4	391	14	N/A
Points	3	153	7	N/A
Property Report	8	67	22	N/A
Recording Fees	58	31	76	N/A
Subordination Fees	3	20	10	N/A
Title Insurance	20	275	52	N/A
Title Search Fees	25	89	53	N/A
Unused Commitment Fee	1	125	N/A	N/A
Other Fees	15	182	12	N/A

* Multiple answers allowed

Exhibit 18
INTEREST RATE INDEX UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
The Wall Street Journal Prime Rate	48%	39%
A Bank Prime Rate	32	35
30 day Treasury Bill Rate	0	1
90 day Treasury Bill Rate	6	9
6 month Treasury Bill Rate	7	5
52 week Treasury Bill Rate	0	N/A
Other	7	11

Terms and Servicing

Exhibit 19
CAN HOME EQUITY LINES BE CONVERTED FROM VARIABLE TO FIXED RATE

	1988	1987
Yes	26%	N/A
No	74	N/A

Exhibit 20
SPREAD OVER SELECTED INTEREST RATE INDICES UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(in basis points)

	1988	1987
Spread Over Prime Rate Index		
Median	185	200
Mean	182	234
Spread Over Treasury Bill Index*		
Median	400	403
Mean	395	422

*Includes all types of Treasury Bills

Terms and Servicing

Exhibit 21
FREQUENCY OF INTEREST RATE ADJUSTMENTS ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
Daily	11%	2%
Monthly	65	69
Quarterly	18	15
Other	6	14

Exhibit 22
INITIAL RATES AND UPWARD ADJUSTMENT CAPS ON VARIABLE RATE HOME EQUITY LOANS

A. Percent of Institutions That Limit Annual Adjustments

	1988	1987
Yes	28%	65%
No	72%	35

B. Maximum Lifetime Adjustment

	1988	1987
Median	18.0%	17.9%
Mean	18.5	15.2

C. Interest Rate Cap Set A State's Usury Rate (Percent of Institutions)

	1988	1987
Yes	50%	N/A
No	50%	N/A

Exhibit 23
INTEREST RATE FLOORS ON VARIABLE RATE HOME EQUITY LOANS

A. Median Annual Interest Rate Floors (Percent of Institutions)

	1988	1987
Yes	13%	10%
No	87	90
Median Annual Floor Rate (%)	8.0	8.2

B. Median Lifetime Interest Rate Floor (Percent of Institutions)

	1988	1987
Yes	23%	21%
No	77	79
Median Lifetime Floor Rate (%)	8.0	8.1

Exhibit 24
PERIODIC CREDIT REVIEW PROCESS ON OUTSTANDING HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
A. Conduct Credit Review		
Yes	74%	75%
No	26	25
B. Frequency of Credit Review		
Monthly	6%	6
Quarterly	2	1
Semi-annually	3	3
Yearly	41	47
Biennial	19	21
Triennial	14	13
Every 5 years	7	2
Other	8	7
C. Utilize Account Monitoring System		
Yes	53%	49%
No	47	51
D. Account Monitoring Systems		
Internal Report	11%	N/A
TRW Monthly Signal	18	N/A
Delinquency	23	N/A
Computer Tickler	7	N/A
Collection Department	14	N/A
Other	27	N/A

N/A = Not Available

Exhibit 25
MOST FREQUENTLY USED ACCESS METHODS TO VARIABLE RATE OPEN-END HOME EQUITY LINES OF CREDIT*

	1988	
Type of Access Methods	Most Frequently Used	Median Minimum Transaction Amounts
Credit Card	1%	$200
Checks	80	250
Bank Check	1	100
ATM	1	75
Telephone	3	20
Draft Account (Credit Union)	1	5
Overdraft Protection	1	100
Debit Cards	0	175
Personal Withdrawals at Branch	3	250
Other	10	500

* Multiple answers allowed

Terms and Servicing

Exhibit 26
PERCENT OF INSTITUTIONS THAT PERMIT INTEREST ONLY PAYMENTS

	1988	1987
Yes	41%	39%
No	59	61

Exhibit 27
DOLLAR AMOUNT OF DELINQUENT OPEN-END HOME EQUITY LINES*

	1988		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$1,116,704	$68,444,846	1.6%

	1987		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$184,216	$36,600,000	.5%

* A delinquent account is one that is over 30 days past due.

Exhibit 28
DOLLAR AMOUNT OF FORECLOSURES ON OPEN-END HOME EQUITY LINES

	1988		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$146,689	$68,444,846	.2%

	1987		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$6,802	$36,600,000	0%

Exhibit 29
DOLLAR AMOUNTS OF CHARGE-OFFS ON OPEN-END HOME EQUITY LINES

A. Gross Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$95,823	$68,444,846	.14%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$5,471	$36,600,000	.01%

B. Net Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$61,600	$68,444,846	.09%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$1,354	$36,600,000	0%

Exhibit 30
OPEN-END HOME EQUITY LOANS OUTSTANDING WITH DEATH CLAIMS

	1988 Number of Death Claims	1987 Number of Death Claims
Median	2.0	.089
Mean	3.4	.571

Borrower Profile/Marketing

Exhibit 31
PRIMARY USES FOR HOME EQUITY CREDIT
(Percent of Institutions)

	1988	1987
Debt Consolidation	41%	46
Home Improvements	22	41
Tax Advantage	2	N/A
Consumer Purchase	2	2
Cash	4	N/A
Education	1	1
Investments	1	3
Other	27	7

Exhibit 32
BORROWER CHARACTERISTICS

A. Borrowers Average Age (Percentage of borrowers)

Age	1988	1987
20-34	14%	10%
35-49	50	50
50-64	30	25
65 and over	6	5

B. Other Demographics

	1988		
	Median	Mean	Range
Years in Current Job	10.0	9.4	3 to 20
Years of Home Ownership	10.0	10.4	3 to 45
Number of Dependents (including spouse)	3.0	3.0	1 to 4
Household Income	$45,000	$47,099	$20,000 to $150,000

	1987		
	Median	Mean	Range
Years in Current Job	8.4	8.7	3 to 20
Years of Home Ownership	9.8	9.7	3 to 20
Number of Dependents (including spouse)	2.9	2.9	1 to 5
Household Income	$40,646	$46,233	$23,600 to $150,000

Exhibit 33
BORROWER'S EQUITY IN HOME

	1988		
	Appraisal Value	First Mortgage	Available Equity
Median	$ 85,150	$35,000	$50,150
Mean	116,405	45,480	70,925

	1987		
	Appraisal Value	First Mortgage	Available Equity
Median	$ 85,013	$34,958	$50,055
Mean	106,871	40,126	66,745

Exhibit 34
INCREASE IN CURRENT LINE

A. Percent of Institutions Permitting Increase In Current Line

	1988	1987
Yes	92%	87%
No	8	13

B. Percent of Institutions Charging Additional Fees For Current Line

	1988	1987
Yes	84%	88%
No	16	12

C. Number of Increases in Current Line

	1988	1987
Median	10	N/A
Mean	82	N/A

D. Dollar Increase in Current Line

	1988	1987
Median	$12,000	N/A
Mean	18,012	N/A

N/A = Not Available

Exhibit 35
IMPORTANCE OF MARKETING MEDIA*

	1988	1987
Newspaper	4.4	4.5
Direct Mail	4.0	4.1
Statement Stuffer	3.5	3.5
Television	2.1	2.7
Magazines	1.5	1.7
Radio	2.9	3.0
Cross Selling	4.7	4.5
Word of Mouth	4.1	4.1
Billboards	2.1	2.3
Brochures	3.7	3.6
Telemarketing	2.6	3.0
Realtor Referrals	1.8	1.9
Construction Co. Ref.	1.4	1.5
Employee Incentive	2.9	3.0
No or Low Closing Costs	4.3	4.4
Low Introductory Rates	2.5	2.9
Other	2.0	4.0

* Scale of 1 to 6 (where 1 is not important and 6 is very important).

N/A=Not Available

Exhibit 36
PRIMARY MARKETING MEDIUM
(Percent of Institutions)

	1988	1987
Newspaper	21%	26%
Direct Mail	15	17
Statement Stuffer	4	2
Television	1	2
Magazines	0	N/A
Radio	1	3
Cross Selling	14	17
Word of Mouth	5	3
Billboards	0	2
Brochures	2	1
Telemarketing	4	3
Realtor Referrals	0	3
Construction Co. Ref.	0	16
Employee Incentive	3	0
No or Low Closing Costs	20	0
Low Introductory Rates	0	3
Other	10	2

Exhibit 37
HOME EQUITY LOAN SECONDARY MARKET ACTIVITY
(Percent of Institutions)

A. Buy Loans in the Secondary Market

	1988	1987
Yes	2%	1%
No	98	99

B. Sell Loans in the Secondary Market

	1988	1987
Yes	1%	1%
No	99	99

Exhibit 38
SECURITIZATION OF HOME EQUITY LINES

A. Securitizing Home Equity Lines (Percent of Institutions)

	1988	1987
Yes	9%	N/A
No	91	N/A

B. Institutions Not Currently Securitizing, That Are Planning to Securitize in Coming Year (Percent of Institutions)

	1988	1987
Yes	5%	N/A
No	95	N/A

Exhibit 39
RETURN ON ASSETS AND GROWTH IN ASSETS

A. Return on Assets

	1988	1987
Median	1.1%	N/A
Mean	1.3	N/A

B. Growth in Assets From Year Earlier

	1988	1987
Median	7.5%	N/A
Mean	8.1	N/A

SAVINGS INSTITUTIONS

Exhibit 1
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

A. Total Consumer Credit Outstanding*

1988	Consumer Credit Outstanding	Total Assets	Percent
Median	$190,665,826	$1,489,933,175	13%
Mean	452,335,830	2,364,405,686	19

1987	Consumer Credit Outstanding	Total Assets	Percent
Median	$185,000,000	$2,000,000,000	9%
Mean	550,000,000	4,690,000,000	12

B. Total Delinquent** Consumer Credit*

1988	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$2,400,425	305	$190,665,826	1.2%
Mean	9,536,482	2,942	452,335,830	2.1

1987	Dollar Amount of Delinquencies	Number of Delinquencies	Total Consumer Credit Outstanding	Percent of Dollar Amount
Median	$ 2,357,530	N/A	$185,000,000	1.3%
Mean	24,600,000	N/A	550,000,000	4.5

* Excludes unsecured credit cards.
** Past due by more than 30 days.

Exhibit 1 (continued)
CONSUMER CREDIT OUTSTANDING AT SAMPLE INSTITUTIONS

C. Consumer Credit* Charged Off

	1988			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$ 655,174	90	$190,665,826	.3%
Mean	2,776,811	280	452,335,830	.6

	1987			
	Dollar Charge Offs	Number of Charge Offs	Total Consumer Credit Outstanding	Percent of Dollar Credit
Median	$ 750,812	N/A	$185,000,000	.4%
Mean	2,520,571	N/A	550,000,000	.4

* Excludes unsecured credit cards.

Home Equity Loan Activity

Exhibit 2
TOTAL HOME EQUITY CREDIT

	1988	1987
Total Home Equity Credit	$6,981,076,847	$7,380,000,000
Total Consumer Credit	$14,022,000,000	$18,200,000,000
Percent	50%	40%

Exhibit 3
OPEN-END HOME EQUITY REVOLVING CREDIT LINES -- APPROVED AND OUTSTANDING

A. Approved Open-End Lines

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	1,424	$ 43,767,470	$30,736
Mean	3,180	116,253,156	36,558

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	2,173	$ 64,300,000	$29,590
Mean	3,549	131,000,000	36,912

B. Outstanding Open-End Lines

1988	Median	Mean
Amount Outstanding	$27,238,438	$65,747,049
Number of Outstanding Lines	1,277	2,800
Average Outstanding Line	$21,330	$23,481
1987		
Amount Outstanding	$26,400,000	$70,500,000
Number of Outstanding Lines	N/A	N/A
Average Outstanding Line	N/A	N/A

Exhibit 4
BEGINNING YEAR OF OPEN-END HOME EQUITY CREDIT LENDING
(Percent of Institutions)

Pre 1981	6%
1981	7
1982	7
1983	17
1984	17
1985	10
1986	17
1987	10
1988	6
1989	3

Home Equity Loan Activity

Exhibit 5
HOME EQUITY OPEN-END LINES OF CREDIT BOOKED

	1988		
	Number of Lines	Amount Approved	Average Approved Line
Median	426	$11,846,927	$27,810
Mean	996	33,576,737	33,712

	1987		
	Number of Lines	Amount Approved	Average Approved Line
Median	1,058	$30,500,000	$28,828
Mean	1,794	64,500,000	35,953

Exhibit 6
CLOSED--END HOME EQUITY LOANS OUTSTANDING

1988

	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	2,291	$ 45,133,768	$19,700
Mean	5,475	134,364,699	24,541

1987

	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	1,185	$36,000,000	$30,380
Mean	4,444	96,400,000	21,692

Home Equity Loan Activity

Exhibit 7
CLOSED-END HOME EQUITY LINES BOOKED IN 1988

	Number of Loans	Amount Outstanding	Average Outstanding Loan
Median	467	$17,042,953	$36,495
Mean	1,514	55,267,042	36,505

Exhibit 8
FIXED AND VARIABLE RATE HOME EQUITY LOANS OUTSTANDING

As a percent of total home equity credit:

	1988	1987
Total open-end fixed rate	5%	2%
Total open-end variable rate	95	98%

Home Equity Loan Activity

Exhibit 9
TOTAL HOME EQUITY LINES OF CREDIT -- MINIMUM AND MAXIMUM AMOUNTS

	Minimum Line Amount		Maximum Line Amount	
	1988	1987	1988	1987
Median	$5,000	$7,406	$225,000	$147,000
Mean	7,339	7,307	269,565	218,214

Exhibit 10

UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

A. Percent of Institutions Utilizing a Debt-to-Income Formula

1988	1987
97%	97%

B. Percent of Institutions Utilizing Debt-to-Income Formula on a Gross or Net Basis

	1988	1987
Gross	89%	83%
Net	11	17

C. Percentage Utilized in Gross Debt-to-Income Formula

	1988	1987
Median	40%	40%
Mean	38	39

D. Percentage Utilized in Net Debt-to-Income Formula

	1988	1987
Median	43%	44%
Mean	43	44

E. Percentage of Institutions Using a Firm Formula or a Guideline

	1988	1987
Firm	39%	18%
Guideline	61	82

Exhibit 10 (continued)
UTILIZATION OF DEBT-TO-INCOME FORMULAS IN APPROVAL PROCESS

F. Percentage of Institutions Utilizing Same Debt-to-Income Formula as for Other Consumer Loans

	1988	1987
Same formula	62%	66%
Different formula	38	34

G. If a Different Formula is Used for Home Equity Credit Than Consumer Loans, is That Formula:

	1988	1987
Higher	55%	64%
Lower	45	36

Exhibit 11
MAXIMUM LOAN-TO-VALUE RATIOS ON OWNER-OCCUPIED HOME EQUITY LOANS

	1988	1987
Median	80%	80%
Mean	78	78

Exhibit 12
METHODS UTILIZED IN APPROVING HOME EQUITY LOAN APPLICATIONS

A. Formal or Informal Scoring Techniques (Percent of Institutions)

	1988	1987
Credit Scoring	0%	0%
Judgment	90	86
Combination	10	14

B. Average Required Processing Time (days)

	1988	1987
Median	14	17
Mean	15	21

C. Percent of Approved Open-End Lines that Close

	1988	1987
Median	89%	90%
Mean	83	87

Application/Approval Process

Exhibit 13
TYPES OF HOME EQUITY LOAN APPRAISAL METHODS
(Percent of Institutions)

	1988	1987
Full Appraisals	51%	54%
"Drive-By" Appraisals	39	34
Tax Assessments	9	11
Other	1	1

Exhibit 14
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

A. Title Insurance Requirement (Percent of Institutions)

	1988	1987
Always	22%	28%
Lines over $15,000	13	N/A
Lines over $25,000	0	6
Lines over $30,000	0	3
Lines over $35,000	0	0
Lines over $40,000	0	3
Lines over $50,000	6	9
Lines over $75,000	3	3
Lines over $100,000	3	0
First Mortgage	0	0
Other	15	15
Not Required	38	33

B. PMI Insurance Requirement (Percent of Institutions)

	1988	1987
Yes	3%	0%
No	97	100

C. Credit Life Insurance Offered (Percent of Institutions)

	1988	1987
Yes	71%	64%
No	29	36

D. Maximum Amount Insured

	1988	1987
Median	$50,000	$49,583
Mean	55,000	53,571

Exhibit 14 (continued)
REQUIRED INSURANCE COVERAGE ON HOME EQUITY LOANS

E. Captive Insurance Company (Percent of Institutions)

	1988	1987
Yes	41%	62%
No	59	38

F. Percent of Applicants Taking Credit Life Insurance

	1988	1987
Median	10%	34%
Mean	15	30

Exhibit 15
AVAILABILITY OF NON-OWNER HOME EQUITY LOANS

A. Lend on Non-Owner Occupied Property (Percent of Institutions)

	1988	1987
Yes	50%	50%
No	50	50

B. Charge Higher Interest Rate [owner vs. non-owner] (Percent of Institutions)

	1988	1987
Yes	47%	44%
No	53	56

C. Average Difference in Interest Rate Charged (Basis Points)

	1988	1987
Median	50	N/A
Mean	87	N/A

D. Loan-to-Value Ratio for Non-Owner Occupied Homes

	1988	1987
Median	70%	71%
Mean	74	71

N/A = Not Available

Exhibit 16
AVAILABILITY OF HOME EQUITY LOANS ON CONDOMINIUMS AND CO-OPS
(Percent of Institutions)

A. Home Equity Loans on Condominiums

	1988	1987
Yes	94%	94%
No	6	6

B. Home Equity Loans on Co-ops

	1988	1987
Yes	16%	9%
No	84	91

Terms and Servicing

Exhibit 17
INSTITUTIONS CHARGING FEES ON HOME EQUITY LOANS*

	1988		1987	
	Percent of Institutions	Average Fee	Percent of Institutions	Average Fees
Annual Fees	44%	$ 36	33%	N/A
Application Fees	9	167	25	N/A
Appraisal Fees	66	193	77	N/A
Attorney Fees	12	157	28	N/A
Closing Fees	16	136	28	N/A
Credit Check Fees	19	24	33	N/A
Loan Set-Up Fees	12	104	17	N/A
Mortgage Tax	6	123	19	N/A
Points	0	0	25	N/A
Property Report	12	74	11	N/A
Recording Fees	62	21	81	N/A
Subordination Fees	6	25	11	N/A
Title Insurance	31	267	64	N/A
Title Search Fees	12	74	56	N/A
Unused Commitment Fee	0	0	N/A	N/A
Other Fees	9	89	3	N/A

* Multiple answers allowed

Exhibit 18
INTEREST RATE INDEX UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
The Wall Street Journal Prime Rate	60%	62%
A Bank Prime Rate	17	18
30 day Treasury Bill Rate	3	0
90 day Treasury Bill Rate	7	3
6 month Treasury Bill Rate	0	6
52 week Treasury Bill Rate	3	0
Other	10	11

Terms and Servicing

Exhibit 19
CAN HOME EQUITY LINES BE CONVERTED FROM VARIABLE TO FIXED RATE

	1988	1987
Yes	34%	N/A
No	66	N/A

Exhibit 20
SPREAD OVER SELECTED INTEREST RATE INDICES UTILIZED ON VARIABLE RATE HOME EQUITY LOANS
(in basis points)

	1988	1987
Spread Over Prime Rate Index		
Median	190	192
Mean	180	191
Spread Over Treasury Bill Index*		
Median	325	325
Mean	320	358

*Includes all types of Treasury Bills

Terms and Servicing

Exhibit 21
FREQUENCY OF INTEREST RATE ADJUSTMENTS ON VARIABLE RATE HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
Daily	13%	0%
Monthly	59	75
Quarterly	13	14
Other	15	22

Exhibit 22
INITIAL RATES AND UPWARD ADJUSTMENT CAPS ON VARIABLE RATE HOME EQUITY LOANS

A. Percent of Institutions That Limit Annual Adjustments

	1988	1987
Yes	42%	83%
No	58%	17

B. Maximum Lifetime Adjustment

	1988	1987
Median	18.0%	15.0%
Mean	15.8	13.8

C. Interest Rate Cap Set A State's Usury Rate (Percent of Institutions)

	1988	1987
Yes	27%	N/A
No	73%	N/A

Exhibit 23
INTEREST RATE FLOORS ON VARIABLE RATE HOME EQUITY LOANS

A. Median Annual Interest Rate Floors (Percent of Institutions)

	1988	1987
Yes	26%	9%
No	74	91
Median Annual Floor Rate (%)	9.0	9.0

B. Median Lifetime Interest Rate Floor (Percent of Institutions)

	1988	1987
Yes	23%	17%
No	77	83
Median Lifetime Floor Rate (%)	9.0	9.1

Exhibit 24
PERIODIC CREDIT REVIEW PROCESS ON OUTSTANDING HOME EQUITY LOANS
(Percent of Institutions)

	1988	1987
A. Conduct Credit Review		
Yes	53%	50%
No	47	50
B. Frequency of Credit Review		
Monthly	6%	0%
Quarterly	12	6
Semi-annually	0	0
Yearly	47	35
Biennial	6	6
Triennial	18	0
Every 5 years	6	6
Other	5	47
C. Utilize Account Monitoring System		
Yes	33%	50%
No	67	50
D. Account Monitoring Systems		
Internal Report	40%	N/A
TRW Monthly Signal	10	N/A
Delinquency	0	N/A
Computer Tickler	10	N/A
Collection Department	10	N/A
Other	30	N/A

N/A = Not Available

Exhibit 25
MOST FREQUENTLY USED ACCESS METHODS TO VARIABLE RATE OPEN-END HOME EQUITY LINES OF CREDIT*

	1988	
Type of Access Methods	Most Frequently Used	Median Minimum Transaction Amounts
Credit Card	0%	N/A
Checks	87	$500
Bank Check	7	500
ATM	0	N/A
Telephone	0	N/A
Draft Account (Credit Union)	3	5
Overdraft Protection	0	100
Debit Cards	0	N/A
Personal Withdrawals at Branch	0	500
Other	3	500

* Multiple answers allowed

Terms and Servicing

Exhibit 26
PERCENT OF INSTITUTIONS THAT PERMIT INTEREST ONLY PAYMENTS

	1988	1987
Yes	47%	46%
No	53	54

Exhibit 27
DOLLAR AMOUNT OF DELINQUENT OPEN-END HOME EQUITY LINES*

	1988		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$740,553	$65,747,049	1.1%

	1987		
	Dollar Amount Delinquent	Average Home Equity Credit	Percent
Mean	$512,924	$70,500,000	.7%

* A delinquent account is one that is over 30 days past due.

Exhibit 28
DOLLAR AMOUNT OF FORECLOSURES ON OPEN-END HOME EQUITY LINES

	1988		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$347,058	$65,747,049	.5%

	1987		
	Dollar Amount Foreclosures	Average Home Equity Credit	Percent
Mean	$47,267	$70,500,000	.07%

Exhibit 29
DOLLAR AMOUNTS OF CHARGE-OFFS ON OPEN-END HOME EQUITY LINES

A. Gross Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$130,638	$65,747,049	.20%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$2,077	$70,500,000	.003%

B. Net Charge-Offs

	1988		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$105,035	$65,747,049	.16%

	1987		
	Dollar Amount Charge-Offs	Average Home Equity Credit	Percent
Mean	$1,317	$70,500,000	.002%

Exhibit 30
OPEN-END HOME EQUITY LOANS OUTSTANDING WITH DEATH CLAIMS

	1988 Number of Death Claims	1987 Number of Death Claims
Median	3.0	.1
Mean	7.4	1.4

Borrower Profile/Marketing

Exhibit 31
PRIMARY USES FOR HOME EQUITY CREDIT
(Percent of Institutions)

	1988	1987
Debt Consolidation	31%	11%
Home Improvements	31	11
Tax Advantage	3	0
Consumer Purchase	3	33
Cash	3	0
Education	0	19
Investments	0	15
Other	28	11

Exhibit 32
BORROWER CHARACTERISTICS

A. Borrowers Average Age (Percentage of borrowers)

Age	1988	1987
20-34	16%	14%
35-49	55	59
50-64	24	23
65 and over	5	4

B. Other Demographics

	1988		
	Median	Mean	Range
Years in Current Job	7.0	7.3	2 to 12
Years of Home Ownership	6.0	7.2	3 to 15
Number of Dependents (including spouse)	3.0	2.8	1 to 4
Household Income	$48,000	$51,265	$30,000 to $100,000

	1987		
	Median	Mean	Range
Years in Current Job	7.1	7.6	3 to 19
Years of Home Ownership	8.5	8.0	3 to 15
Number of Dependents (including spouse)	3.1	3.1	2 to 4
Household Income	$40,400	$45,320	$25,000 to $76,716

Exhibit 33
BORROWER'S EQUITY IN HOME

	1988		
	Appraisal Value	First Mortgage	Available Equity
Median	$115,905	$50,000	$65,905
Mean	137,861	81,824	56,037

	1987		
	Appraisal Value	First Mortgage	Available Equity
Median	$ 95,000	$39,950	$55,050
Mean	118,603	44,903	73,700

Exhibit 34
INCREASE IN CURRENT LINE

A. Percent of Institutions Permitting Increase In Current Line

	1988	1987
Yes	94%	89%
No	6	11

B. Percent of Institutions Charging Additional Fees For Current Line

	1988	1987
Yes	79%	90%
No	21	10

C. Number of Increases in Current Line

	1988	1987
Median	52	N/A
Mean	151	N/A

D. Dollar Increase in Current Line

	1988	1987
Median	$21,570	N/A
Mean	22,275	N/A

N/A = Not Available

Exhibit 35
IMPORTANCE OF MARKETING MEDIA*

	1988	1987
Newspaper	4.1	3.6
Direct Mail	4.8	5.0
Statement Stuffer	3.7	4.5
Television	1.8	1.9
Magazines	1.5	1.2
Radio	2.4	2.5
Cross Selling	4.7	4.3
Word of Mouth	4.2	4.2
Billboards	2.1	1.7
Brochures	3.6	3.5
Telemarketing	3.3	3.2
Realtor Referrals	2.7	3.0
Construction Co. Ref.	1.9	1.7
Employee Incentive	3.3	2.8
No or Low Closing Costs	4.2	3.5
Low Introductory Rates	2.7	2.3
Other	N/A	1.7

* Scale of 1 to 6 (where 1 is not important and 6 is very important).

N/A=Not Available

Exhibit 36
PRIMARY MARKETING MEDIUM
(Percent of Institutions)

	1988	1987
Newspaper	19%	26%
Direct Mail	31	34
Statement Stuffer	3	3
Television	3	0
Magazines	0	0
Radio	0	0
Cross Selling	6	9
Word of Mouth	0	9
Billboards	0	0
Brochures	0	3
Telemarketing	3	0
Realtor Referrals	3	3
Construction Co. Ref.	0	0
Employee Incentive	6	0
No or Low Closing Costs	16	11
Low Introductory Rates	3	0
Other	7	3

Borrower Profile/Marketing

Exhibit 37
HOME EQUITY LOAN SECONDARY MARKET ACTIVITY
(Percent of Institutions)

A. Buy Loans in the Secondary Market

	1988	1987
Yes	6%	3%
No	94	97

B. Sell Loans in the Secondary Market

	1988	1987
Yes	6%	0%
No	94	100

Exhibit 38
SECURITIZATION OF HOME EQUITY LINES

A. Securitizing Home Equity Lines (Percent of Institutions)

	1988	1987
Yes	10%	N/A
No	90	N/A

B. Institutions Not Currently Securitizing, That Are Planning to Securitize in Coming Year (Percent of Institutions)

	1988	1987
Yes	8%	N/A
No	92	N/A

Exhibit 39
RETURN ON ASSETS AND GROWTH IN ASSETS

A. Return on Assets

	1988	1987
Median	.46%	N/A
Mean	.58	N/A

B. Growth in Assets From Year Earlier

	1988	1987
Median	6.6%	N/A
Mean	13.2	N/A

APPENDICES

APPENDIX A

A. INSTITUTIONAL CHARACTERISTICS OF THE SAMPLE

	1988	1987
Median Asset Size	$1,101,577,000	$ 995,000,000
Mean Asset Size	$3,902,734,958	$4,010.000,000
Median Number of Branches	29	28
Multistate Lender		
Yes	34%	31%
No	66%	69%
Average ROA	1.2%	N/A
Average Growth in Assets	8.7%	N/A

B. TYPE OF INSTITUTION

Commercial Bank	182	211
Savings Institution*	28	36
Other	4	1

* Includes S&Ls, Mutual Savings Banks, Credit Unions, and Finance Companies.

APPENDIX B

REGIONAL CLASSIFICATION

of Respondents

New England	14
Connecticut	4
Maine	0
Massachusetts	6
New Hampshire	2
Rhode Island	2
Vermont	0

Mid-Atlantic	64
New Jersey	18
New York	20
Pennsylvania	26

South Atlantic	47
Delaware	3
Florida	8
Georgia	4
Maryland	8
North Carolina	6
South Carolina	2
Virginia	11
Washington, D.C.	4
West Virginia	1

South Central	18
Alabama	5
Arkansas	0
Kentucky	4
Louisiana	1
Mississippi	2
Oklahoma	4
Tennessee	2
Texas	0

East North Central	53
Illinois	11
Indiana	12
Michigan	10
Ohio	18
Wisconsin	2

West North Central	5
Iowa	1
Kansas	0
Minnesota	3
Missouri	1
Nebraska	0
North Dakota	0
South Dakota	0

West	18
Alaska	0
Arizona	3
California	7
Colorado	1
Hawaii	3
Idaho	0
Montana	1
Nevada	0
New Mexico	2
Oregon	2
Utah	0
Washington	0
Wyoming	0

Unknown	1

APPENDIX C

Consumer Bankers Association

McIntire School of Commerce
University of Virginia

Home Equity Lending Survey

- *Please complete and return this form by February 7, 1989.*
- *Please report information for your entire bank including branches.*
- *If any answer is not known or not available, please answer with "N.A.".*
- *If any answer is "Zero" or "None", please indicate with "O".*
- *If exact figures are not available,* **provide best estimates.**
- *When recording percentages, 50.0% means fifty percent; .50% is one half of one percent.*

DEFINITIONS: Because of the confusion that exists within the industry on various terminology, we are providing the following two definitions to aid in the completion of this questionnaire.

Closed-End -- fixed-term, single advance loan.
Open-End -- revolving line of credit where repeated transactions are anticipated.

NOTE: For your participation in the completion of this questionnaire, a copy of the executive summary will be sent to you. If you desire this summary, please complete the address information in full. The results of this study will be reported only with aggregate and your data will be held in confidence by the researchers at the University of Virginia. Thank you.

Name of Institution: ____
(Holding companies, please consolidate information)

Location (address): ____
____

Questionnaire completed by:

Name: ______________________

Title: ______________________

Phone: ______________________

Return to:
Dr. John H. Lindgren, Jr.
Center for Financial Services Studies
McIntire School of Commerce
University of Virginia
Charlottesville, Virginia 22903
(804) 924-3414

Section I
About Your Institution

Bill. Mill. Thou. Hund.

1. Your institution's asset size . . . $________, ________, ________, ________

2. Number of branches or banks . . . . #________, ________, ________

3. Are you a multi-state consumer lender? . . . . Yes ☐ No ☐
If so, which states? . . . . ________________

4. Are you primarily a (please check only one):
commercial bank ☐
finance company ☐
brokerage house ☐
credit union ☐
mutual savings bank ☐
mortgage company ☐
savings bank ☐
savings & loan assoc. ☐
If other, what are you?____________ other ☐

5. Your institution's return on assets (ROA) in 1988 . . . . . _____.__%

6. Your institution's growth in assets (1988 vs. 1987) . . . . _____.__%

7. In what year did you begin open-end home equity lending? . . . 19____

Section II
Total Consumer Credit Outstanding (Excluding Unsecured Credit Cards)

Bill. Mill. Thou. Hund.

1. **Total dollar** amount of all consumer credit outstandings (excluding unsecured credit cards) as of year-end 1988. $________, ________, ________, ________

2. **Total dollar amount of all delinquent (over 30 days) consumer credit outstanding (excluding unsecured credit cards) as of year-end 1988.** $________, ________, ________

Bill. Mill. Thou. Hund.

3. Total **number** of all delinquent (over 30 days) accounts of consumer credit (excluding unsecured credit cards) as of year-end 1988. #________, ________, ________

4. How **many** total consumer credit accounts (excluding unsecured credit cards) did you charge-off in 1988? #________, ________, ________

5. How **much** was the net charge-off (excluding unsecured credit cards) in 1988? $________, ________, ________

SECTION III
CLOSED-END HOME EQUITY SECTION

Bill. Mill. Thou. Hund.

1. Total **number** of closed-end home equity loans as of year-end 1988. #________, ________, ________

2. Total **dollar** amount of closed-end home equity loans as of year-end 1988. $________, ________, ________, ________

3. Total **number** of new closed-end home equity loans **booked** in calendar year 1988. #________, ________, ________

4. Total **dollar** amount of new closed-end home equity loans booked in calendar year 1988. $________, ________, ________, ________

SECTION IV
OPEN-END HOME EQUITY SECTION

Bill. Mill. Thou. Hund.

1. Total number of open-end home equity lines as of year-end 1988. #________, ________, ________

2. Total dollar amount of approved open-end home equity lines as of year-end 1988. $________, ________, ________, ________

3. Total number of outstanding (in use) open-end home equity lines as of year-end 1988. #________, ________, ________

4. Total dollar amount of outstanding (in use) open-end home equity lines year-end 1988. $________, ________, ________, ________

5. Total number of new open-end home equity lines booked in calendar year 1988. #________, ________, ________

6. Total dollar amount of new open-end home equity lines booked in calendar year 1988. $________, ________, ________, ________

7. Total number and dollar amount of open-end home equity credit outstanding that were delinquent by more than 30 days at the end of 1988?
   #________, ________, ________
   $________, ________, ________, ________

8. What were your charge-offs on open-end home equity lines of credit (percent of average dollar amount outstanding) during 1988?

   Gross _____.__% $________, ________, ________
   Net after recoveries _____.__% $________, ________, ________

9. **In 1988, how many and what was the dollar amount of open-end home equity lines that resulted in:**

a. Foreclosure #________, ________, ________
$________, ________, ________, ________

b. Death claims #________, ________, ________
$________, ________, ________, ________

10. What percent of your open-end home equity portfolio is variable rate? _____.__%

11. Minimum home equity line. $ ________, ________

12. Maximum home equity line. $ ________, ________, ________

13. Open-end home equity borrowers access credit through the following: (check and complete where applicable)

Minimum Transaction

[ ] Credit Card . . . . $_______,_______
[ ] Checks/Checking Accounts . . . . $_______,_______
[ ] Bank Check (counter check) . . . . $_______,_______
[ ] ATM . . . . $_______,_______
[ ] Telephone . . . . $_______,_______
[ ] Draft Account (Credit Union) . . . . $_______,_______
[ ] Overdraft protection on Checking Accounts . . . . $_______,_______
[ ] Debit Cards . . . . $_______,_______
[ ] Personal Withdrawals at Branch . . . . $_______,_______
[ ] Other (please specify) ________________ . . . . $_______,_______

14. Which method of access is most frequently used by your borrowers?______________

15. Are interest only payments permitted? Yes [ ] No [ ]

SECTION V
APPROVAL PROCESS OPEN-END HOME EQUITY

1. a. Do you use a debt-to income formula in the approval process? (If no, skip to question 2) Yes [ ] No [ ]

   b. Is it on Gross income [ ] (answer next question) or Net income [ ] (skip to 1 d.)

   c. What is the percent on the gross income? (if applicable) ______.__%

   d. What is the percent on the net income? (if applicable) ______.__%

   e. Is that percent firm or used as a guideline? firm [ ] guideline [ ]

   f. Is the debt-to-income formula the same as for other consumer loans? Yes [ ] No [ ]

   If no, is it higher or lower than on other consumer loans? higher [ ] lower [ ]

2. In the approval process, do you use: (please check only one)
   Credit scoring [ ]
   Judgmental [ ]
   Combination [ ]

3. Average "turnaround" or processing time for home equity lines from applications to closing in calendar days __________ days

4. What percentage of approved open-end home equity line applications actually close? _____.__%

5. What is your maximum loan-to-value ratio for an owner occupied residence? _____.__%

6. What is your maximum loan-to-value for a non-owner occupied residence? _____.__%

7. In your approval process, what percent of your appraisals are:

   full (complete inspection of property) _____.__%
   "drive-by" appraisals _____.__%
   approval on tax assessment only _____.__%
   other (specify) ________________ _____.__%
   Total 100.00%

8. Do you require title insurance? Yes ☐ No ☐

If so, under what circumstances? ______________________________
____

9. Do you require PMI insurance? Yes ☐ No ☐

10. Do you offer credit life insurance? Yes ☐ No ☐

If yes, maximum amount insurance $_____,_____,_____

Captive insurance company? Yes ☐ No ☐

11. What percent of your customers take credit life insurance? _____.__%

12. Do you lend on non-owner occupied property? Yes ☐ No ☐

If yes, do you charge a different interest rate on owner verses non-owner occupied property? Yes ☐ No ☐

If yes, is the non-owner rate higher or lower? higher ☐ lower ☐

What is the difference in basis points? ______________________

13. Do you make loans on condominiums? Yes ☐ No ☐

14. Do you make loans on co-op? Yes ☐ No ☐

15. Which of the following home equity fees are currently passed on to the customer and how much are they? If you have different fees for different situations, please enter the range of those fees.

FEE	HOW MUCH?	FEE	HOW MUCH?
☐ annual	__________	☐ mortgage tax	__________
☐ application	__________	☐ points	__________
☐ appraisal	__________	☐ property report	__________
☐ attorney's fees	__________	☐ recording fee	__________
☐ closing	__________	☐ subordination	__________
☐ credit-check	__________	☐ title insurance	__________
☐ loan set-up	__________	☐ title search	__________
☐ other (please specify)	__________	☐ unused commitment fee	__________
____________________			

SECTION VI
VARIABLE RATE HOME EQUITY

1. Which index do you use and what is the spread in basis points over that index for your variable rate home equity product? (Please check the appropriate index)

☐ The Wall Street Journal prime rate _____ basis point spread
☐ A bank prime rate _____ basis point spread
☐ 30-day Treasury Bill rate _____ basis point spread
☐ 90-day (or 13 week) Treasury Bill rate _____ basis point spread
☐ 180-day (6 month) Treasury Bill rate _____ basis point spread
☐ 52-week Treasury Bill rate _____ basis point spread
☐ Federal Reserve Discount rate _____ basis point spread
☐ Other ____________________ _____ basis point spread

2. Frequency of interest rate adjustments? (Please check only one)

Daily (i.e. when index changes) ☐
Monthly ☐
Quarterly ☐
Other (specify) ____________ ☐

3. a. Do you have annual cap? Yes ☐ No ☐

b. What is it? ______________________________

4. a. What is your lifetime cap? ______________________________

b. Is the lifetime cap set at your state's usury rate? Yes ☐ No ☐

5. a. Do you have an annual interest rate floor? Yes ☐ No ☐

b. What is it? ______________________________

6. a. Do you have a lifetime interest rate floor? Yes ☐ No ☐

b. What is it? ______________________________

SECTION VII
SERVICING

1. a. Do you conduct periodic reviews of your home equity lines for credit purposes? Yes ☐ No ☐

   b. If yes, how often? ____________________

2. a. Do you use any type of account monitoring system? Yes ☐ No ☐

   b. If so, what is it? ____________________

3. During 1988, what was your customer's primary use for their home equity credit? ____________________

4. Do you buy home equity lines? Yes ☐ No ☐

5. Do you sell home equity lines? Yes ☐ No ☐

6. a. Do you "securitize" your home equity lines? Yes ☐ No ☐

   b. If so, who do you use? ____________________

7. If you do not presently "securitize" your home equity lines, are you planning to do so during 1989? Yes ☐ No ☐

8. a. Can the current line be increased? Yes ☐ No ☐

   b. If yes, are additional costs involved? Yes ☐ No ☐

   c. If yes, how many accounts increased during 1988? #_______,_______,_______

   d. If yes, what was the average dollar increase? $_______,_______

9. Does the borrower have the option to convert all or part of the revolving line from variable to fixed rate? Yes ☐ No ☐

SECTION VIII
ABOUT THE BUSINESS

1. What percent of your borrower's are in the following age brackets (Use your best estimates)

   20 to 34 years ☐ _____.__%
   35 to 49 years ☐ _____.__%
   50 to 64 years ☐ _____.__%
   65 and over ☐ _____.__%

2. Average total household income $_______,_______

3. Average years of ownership of home by borrowers ____ years

4. Average appraised value of the home $_______,_______

5. Average first mortgage balance on the home $_______,_______

6. Average years at current job by primary provider of family income ____ years

7. Average number of dependents (including spouse) ______

8. How important are the following marketing activities to your home equity loan program? (Please rate each choice from 1 to 6 where 1 is not important and 6 is very important.)

______ Newspaper
______ Direct mail
______ Statement stuffers
______ Television
______ Magazines
______ Radio
______ Word of mouth
______ Cross-selling within

______ Billboards
______ Brochures
______ Telemarketing in-house
______ Realtor referrals
______ Construction company referrals
______ Employee incentive
______ No or low closing cost
______ Low introductory interest rates

______ Other (please specify)____

9. If you had to choose one of the above, which would be the most important to your home equity program? ______________________________

Thank you for your assistance. Please return the questionnaire in the enclosed envelope by February 7, 1989.

Please attach any current brochures or promotional material on your home equity products.

If future home equity mailings should be sent to another individual within your corporation, please provide us with their name and address below. Thank you!

Name: ____
Title: ____
Address: ______________________________________
____
____